

# Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Paris, Tuesday, October 18, 1994

No. 34,722

## Kohl Faces Wide Range Of Tests in New Term

### Narrow Election Victory Fails to Lift Hopes on Big Economic Problems

By Rick Atkinson  
Washington Post Service

BERLIN — It has been quite a year for Helmut Kohl. The German chancellor presided over a robust recovery from his country's worst recession since World War II. He ushered the last Russian troops from German soil. He came back from the political dead to win a fourth term in office, resurrecting

both his lifeless Christian Democratic Union and his even more moribund coalition partner, the Free Democrats. Now comes the hard part. As Monday morning's Berliner Zeitung newspaper observed of the governing coalition's narrow victory on Sunday, "What awaits Kohl and his new government is not an edifying term in office, but the hour of reality, a sobering confrontation with pent-up problems, the depths of which are only now becoming clear: oppressive mass unemployment, huge government debts, unpayable entitlements, a split society."

All true, unfortunately, for Germany and for Mr. Kohl, whose re-election, by just 143,000 votes out of nearly 50 million cast, hardly hands him a triumphant mandate with which to confront his country's challenges. A 10-seat majority out of 672 seats in the Parliament, West German Bundestag, is a miserable starting point for an effective government.

And if Germany is ineffective, the consequences extend far beyond Bonn or the Black Forest. The German economy is the world's third largest, behind those of the United States and Japan. As Europe's most populous nation, geographically centered in a continent struggling to become one again, Germany is simply too big, too central and too rich to avoid becoming the fulcrum on which European progress turns.

In explaining why he sought to extend a tenure that has already lasted 12 years, Mr. Kohl cites twin ambitions: finishing the work of European unity and finishing the

See KOHL, Page 10

## Dollar Tumbles Against Mark

LONDON — In a wild roller-coaster ride on the world's currency markets, the dollar tumbled Monday to its lowest level against the Deutsche mark in two years after German voters returned Chancellor Helmut Kohl's coalition government to office.

The dollar also weakened against the yen, the French franc and other major currencies.

The dollar began the day tumbling through the crucial 1,500 DM level in early trading in Asia. It then firmed considerably in Europe, only to slump again in the United States and close at 1,498 DM. The gyrations left analysts in London, the world's largest currency market, warning that they saw little to prop up the American currency in the near term. Even worse, some saw a couple of major negatives overhanging the dollar.

Meanwhile, the traditional remedy for an ailing currency — a boost in interest rates — was still seen as some time off. An increase is not expected until the next meeting of the Federal Reserve's rate-setting Open Market Committee, on Nov. 15. That date is seen as too late by some foreign exchange analysts, who stress that the markets have never been known for their patience.

"November 15 still seems a long way away, and the prospect of another half a percentage point increase in interest rates seems neither here nor there," said Tim Fox, a currency economist at Credit Suisse.

Those factors, coupled with a statement from Treasury Secretary Lloyd Bentsen on

See DOLLAR, Page 10



King Hussein, left, embracing Mr. Peres on Monday after their agreement on a draft treaty, as Mr. Rabin looks on.

## A 'Fresh Beginning' For Israel and Jordan

### Draft Peace Agreement Is Initialed, Marking End to Decades of Hostility

By Alan Cowell  
New York Times Service

AMMAN, Jordan — After tortuous overnight negotiations and with little advance fanfare, Israel and Jordan initialed a draft peace treaty Monday in the first major addition to the patchwork of Middle East peace since last year's agreement between Israel and the Palestine Liberation Organization.

The treaty joined lands whose conflicts had for more than 20 years left them as uneasy neighbors rather than active combatants. But in the region's diplomacy, it maintained the momentum of peace efforts and shifted the diplomatic focus to Syria and Lebanon as Israel's only neighbors still in a state of war. Israel signed its first peace agreement with an Arab neighbor in 1979 when it formally ended hostilities with Egypt.

Neither of the signers made public details of the accord, and officials said a final agreement still had to be worked out.

Israeli radio reported that the deal involved Israel's agreeing to divert some 50 million cubic meters of water a year to Jordan where, as elsewhere in this region, water is almost as valuable a commodity as oil in calculations of economic viability.

Additionally, the two sides reportedly agreed to build dams on the Yarmuk and Jordan rivers at an unspecified later stage to increase water supplies to both countries.

Israeli radio said the two sides had also reached a complex accord on territory that would allow Jordan to reassert its sovereignty over a pocket of Israeli-occupied territory measuring some 350 square kilometers (135 square miles) along the southern border, but lease about 30 square kilometers of the territory back to Israel.

The unusual arrangement could become a precedent for Israel's negotiations with Syria over the far more extensive and explosive issue of who controls the Israeli-occupied Golan Heights. This is the central theme of Israel's conflict with President Hafez Assad in Damascus.

In Amman on Monday, both Israeli and Jordanian leaders seemed intent on underscoring the virtues of their agreement and the warmth of a relationship that is widely thought to have grown in secrecy when the two sides were not officially on speaking terms.

"No one lost," Prime Minister Yitzhak Rabin of Israel said. "No one won. We all won."

"Between us, hopefully, it is a fresh beginning, a fresh start," King Hussein said at the ceremony in the royal guest palace where the treaty was initialed by Mr. Rabin and his Jordanian counterpart, Abdul Salam Majali.

"I hope and pray it is something we leave behind for all the generations to come," the king said.

The king told Mr. Rabin that he wanted to "salute your determination and untiring effort."

Mr. Rabin turned to the Jordanian monarch, whose control over the West Bank was ended by Israel with the 1967 Middle East war, and spoke of "the unique courage that is so characteristic of King Hussein in whatever he has done."

Foreign Minister Shimon Peres of Israel later surprised many Jordanians by embracing the king and kissing him on both cheeks, a traditional form of Arab greeting.

President Bill Clinton welcomed the agreement and is expected to attend the signing ceremony in late October, Agence France-Presse reported from Washington. "I am delighted by the announcement," he said, adding that King Hussein and Mr. Rabin "today resolved that their nations would henceforth live in peace and as good neighbors."

Jordan signed an agreement with Israel July ending a formal state of war that had endured for 46 years.

Until Sunday, however, there had been little indication that the negotiations between Jordan and Israel, which started with the Madrid peace conference in 1991, were close to overcoming unresolved differences over water, territory and security issues.

Then, on Sunday night, it was learned that Mr. Rabin and Mr. Peres Peres had

See PEACE, Page 2

## In Turnabout, U.S. to Help China's Army Make Goods

By Steven Mufson  
Washington Post Service

BEIJING — The Clinton administration, which just a few months ago was considering import sanctions on toys, pharmaceuticals, clothes and other goods made by Chinese military enterprises, signed an accord on Monday that provides U.S. assistance to help the Chinese military make even more civilian products.

The turnaround is part of the U.S.-Chinese rapprochement underlined by a four-day visit by Defense Secretary William J. Perry. Mr. Perry, who has visited China nine times though never as defense secretary, was warmly received Monday as "an old friend of China."

He met with Foreign Minister Qian Qichen and Defense Minister Chi Haotian as well as Liu Huaqing, deputy chairman of the Central Military Commission, and Ding Hengtao, the minister of the Commission of Science, Technology and Industry.

Mr. Perry called the meetings "a good start," and Mr. Chi said "both sides have shown a positive attitude for the restoration and development of relations between the two armies."

American officials said the talks dealt with six issues: North Korea, the halt of long-range missile exports by China, the spread of nuclear weapons, human rights, defense conversion and the need to make China's military less secretive. Both sides affirmed commitments to a nuclear-free Korean Peninsula, the end of missile exports and nuclear nonproliferation.

In sharp contrast to Chinese meetings with State Department officials earlier this year, Mr. Perry's talks were not marred by any discussion of U.S. relations with Taiwan. Discussions of human rights were amicable. American officials said, taking up 15 to 20 minutes of Mr. Perry's two-hour meeting with the Chinese defense minister and three senior service commanders.

Mr. Perry stressed that military relations could not develop fully without improvements in U.S.-Chinese overall relations, and that human rights were an important component of that.

Although conceding that the discussion of human rights did not lead to any "common views," a senior U.S. official said the talks were "nonpolemical" and at least opened an additional channel to address such issues.

State Department human-rights officials have been largely stymied in their efforts to engage the Chinese government on human-rights issues, including prison conditions, the detention of dissidents and the jamming of broadcasts of the Voice of America.

The signing of the accord to create the Joint Defense Conversion Commission is aimed at aiding Chinese efforts to turn military equipment makers into manufacturers

See CHINA, Page 10

## Philip Chides Charles Over Lack of Royal Discretion

By John Darnton  
New York Times Service

LONDON — In a move pointing to a rift in the Windsor family, the Duke of Edinburgh delivered a public rebuke on Monday to his son, the Prince of Wales, for cooperating with a biography that presents the prince as someone who underwent a lonely childhood, has an unsatisfactory relationship with his parents and was browbeaten into a loveless marriage.

Excerpts from the book, which will go on sale next month, appeared Sunday in The Sunday Times. It has proved a bombshell.

The Duke of Edinburgh, portrayed unflatteringly in the book as a domineering father whose harsh words could reduce Charles to tears, responded obliquely in an interview in the Daily Telegraph. He made it clear that he felt that members of the royal family should keep their family matters out of the public domain.

"I've never discussed private matters and I don't think the queen has either," he said. "Very few members of the family have." The newspaper said that Prince Philip had reportedly referred to the biography, titled "The Prince of Wales," as "that turgid book."

In addition to chastising his son for baring his soul in public, Philip noted that the monarchy had been around for "the last thousand years." "If it's lasted that long, it can't be all that bad," he said.

The controversy has overshadowed a visit to Russia by Queen Elizabeth and Prince Philip. Britons have been subjected to a remarkable washing of dirty royal linen in

See RIFT, Page 10



Queen Elizabeth reviewing an honor guard Monday at the airport in Moscow as she began a visit to Russia. Page 2.

## Chunnel Opens Door Nov. 14 To Passengers

By Erik Ipsen  
International Herald Tribune

LONDON — The wait for passenger trains through the Channel Tunnel is almost over.

Eurostar, the operator of through passenger trains from London to Paris and Brussels, announced Monday that it would begin service Nov. 14.

That news came on the same day that the tunnel's operators, Eurotunnel, announced that because of the delayed start of service their revenues for the first six months of the year were 75 percent below projections made in May.

The Eurotunnel chairman, Sir Alastair Morton, noting a "frustrating and difficult" first nine months of the year, sounded an upbeat message about the future.

"All I am saying is that we are late; we are sorry, but the product is now in place," he said at a news conference.

Eurostar said its through-train passenger service would begin Nov. 14, with two trains per day from London to both Paris and Brussels. The round-trip fares for the Paris journey, which takes 3 hours, and the trip to Brussels, which takes 3 hours 15 minutes, will be 1,290 French francs (\$248) in second class and 1,620 francs in first class.

By Easter, Eurotunnel officials said they expected to be operating full schedules on each of its two passenger and two freight services.

Eurotunnel officials said delays in testing and commissioning both its rolling stock and its fixed systems, like signals, were responsible for delays that have pushed the opening dates well beyond the tunnel's inauguration in early May.

The delays were blamed for a shortfall in Eurotunnel's expected cash position at the end of the year of £50 million (\$80 million), cutting its cash cushion to £200 million. Sir Alastair stressed, however, that his company did not foresee any problems in its loan agreements with its 220 banks over their £8 billion in loans. He also ruled out any further rights issues after May's £850 million share offer.

Shares in Eurotunnel finished the Mon-

See TUNNEL, Page 10

## South Africa's Servant Class Struggles On

By Isabel Wilkerson  
New York Times Service

JOHANNESBURG — A desperate call came into the drab offices of the domestic workers' union here one recent afternoon. It was from a maid who had worked 10 straight years without a day off and was being dismissed after asking for a day to herself.

A roomful of domestics, in their third-hand clothes and trademark berets, overheard the conversation. They were tired and far from their homelands and had not seen their families since Christmas. They ate, slept and talked to their children at the pleasure of their employers. Some fretted that they had to get back to make supper for the bosses and wash their dishes and pick up their shoes. Some could lose their jobs if their employers knew they were dallying with the union. Indeed, some already had.

And so when the call came in from a maid in trouble, the domestics had few tears left to shed for her. They looked down at the carpet in painful recognition.

In the months since South Africa's humblest workers went to

the polls for the first time, many defying their employers to vote for Nelson Mandela, life has changed little for the people who form the human scaffolding of South Africa's white elite.

Earlier this year, in a bid to get their votes, the former government expanded the labor laws to give basic protection to domestic workers for the first time, entitling them to things like sick leave and lunch breaks. But because there appears to be little in the way of enforcement, and because domestics often work in gated isolation and in fear of losing their jobs, the rules are usually ignored, government officials concede.

"It's even worse than it was before," said Selina Vilakazi, an organizer for the 70,000-member union. "When you ask for a raise, they say, 'Go and ask Mandela.' It's revenge. They're trying to show us they do not recognize him."

In the harshest cases, where live-in domestics are viewed as family property, they are not permitted to leave the premises unless the boss says so or else they are sometimes beaten, raped

See SERVANTS, Page 10

## U.S.-North Korea Nuclear Deal Is Set

GENEVA (Reuters) — The United States and North Korea reached agreement Monday on a framework document for a deal on Pyongyang's nuclear program, the chief U.S. negotiator, Robert L. Gallucci, said early Tuesday.

Without giving details, Mr. Gallucci said that the document was being referred back to the two nations' capitals for their approval, but that he was recommending that Washington sign it.

Earlier article, Page 4

Newsstand Prices			
Andorra	9.00 FF	Luxembourg	60 L Fr
Antilles	11.20 FF	Morocco	12 Dh
Comoros	1.40 CFA	Qatar	8.00 Riels
Egypt	1.20 E.P.	Réunion	11.20 FF
France	9.00 FF	Saudi Arabia	9.00 R.
Gabon	900 CFA	Senegal	960 CFA
Greece	300 Dr.	Spain	200 PTAS
Italy	2,400 Lire	Tunisia	1,000 Din
Ivory Coast	1,120 CFA	Turkey	1.35,000
Jordan	1 JD	U.A.E.	8.50 Dirh
Lebanon	1,500 L.L.	U.S. Mil. (Eur.)	\$1.10

Dow Jones		Trib Index	
Up	13.46	Up	0.37%
Down	3923.93	Down	117.73
The Dollar			
New York	Mon. close	previous close	
DM	1.498	1.5173	
Pound	1.6105	1.586	
Yen	97.65	98.05	
FF	5.143	5.2138	



## German Vote Gives Socialists New Role

### Scharping Warns of Troubles For Weakened Kohl Coalition

By Craig R. Whitney

BONN — Chancellor Helmut Kohl, his government coalition whittled down to a 10-seat majority in Parliament in Sunday's elections, dismissed the setback Monday as no obstacle to his ability to keep governing Germany for another four years.

But on any major decision affecting the future of Germany, Europe, or trans-Atlantic relations, the chancellor now appears to have little option but to seek consensus with the opposition first.

"A majority is a majority," he said Monday, trying to look just as confidently in charge as he had been when he had a 134-seat edge, before the vote.

"It's been four difficult years since the last election," he added, alluding to the high costs and social and economic turbulence brought by German reunification in 1990.

Rudolf Scharping, the 46-year-old leader of the largest opposition party, the Social Democrats, predicted just as confidently that the days of the coalition were numbered.

"It will soon run into heavy seas," he told reporters at party headquarters, where he tried to look like a man who knows time is on his side.

Some seasoned diplomats here believe that Mr. Scharping, who gave up his state governorship to lead his party in Parliament here for the next four years, is clearly the man to watch, even though Mr. Kohl managed to hold on this time.

The chancellor's Christian Democratic alliance won 41.5 percent of the vote, and their Free Democratic coalition partners emerged with 6.9 percent, according to official preliminary results Monday.

Not only did the election strengthen the opposition Social Democrats and the environmentalist Greens in the lower house of Parliament, but simultaneous votes for three state legislatures assured the Social Democrats of a continued two-thirds majority in the upper house, which represents the states and has to approve all

legislation before it can become law.

"Nothing can be done over the next four years without the Social Democratic Party," Mr. Scharping said.

Regarding the durability of Mr. Kohl's unstable majority, he said, "I would bet on two years rather than four."

Mr. Scharping plans to run again for chancellor in 1998; Mr. Kohl said he would not.

Neither Mr. Scharping nor Mr. Kohl gave any encouragement to talk of a formal "grand coalition" that would unite their parties.

Politicians of both parties said they were encouraged by the poor showing of the radical rightist Republican Party, which was resurgent only a few years ago, when hundreds of thousands of foreign asylum-seekers and immigrants were pouring into the country and the major parties seemed to be ignoring the unease the influx was causing.

The Republicans won only 1.9 percent of the national vote Sunday.

"They have become a completely insignificant splinter party," Mr. Kohl said. "German democracy is stable, which is one of the most important results of the election as far as the country's reputation abroad is concerned."

Foreign reaction to Mr. Kohl's narrow victory was positive, particularly from the other capitals of the European Union, the 12-nation bulwark that Mr. Kohl wants to expand to Eastern Europe.

On the main issue of concern to the Clinton administration, whether Germany will be more willing to play a full part in peacekeeping and other military missions sanctioned by the United Nations, Mr. Scharping's party is more skeptical about foreign missions than Mr. Kohl's. The Social Democrats took the government to the country's highest court last summer in an unsuccessful challenge to the constitutionality of such missions.

Mr. Kohl did not campaign on a platform announcing any dramatic change, and has sought consensus in the past on economic policies. With 3.5 million people unemployed and German economic strength under challenge from newly competitive economies in Asia and Eastern Europe, dealing with these problems will require him to seek agreement with the Social Democrats from a much weaker political position.

Mr. Kohl, who has doctorate in history, has been enough to govern with before. Willy Brandt became chancellor with only a 12-seat edge over the Christian Democrats in 1969, he said, and Chancellor Helmut Schmidt held onto power with a 10-seat majority for six years after Mr. Kohl nearly unseated him in 1976.



Gregor Gysi, left, parliamentary leader of Germany's Party of Democratic Socialism (ex-Communist), getting a kiss Monday in Berlin from Christa Luft, an aide of the former East Germany, as the PDS chairman, Lothar Bisky, laughs.

## Seen From Brussels, Kohl Is Still Strong

By Tom Buerkle

International Herald Tribune

BRUSSELS — Although his hold on German power was weakened in the national election, Chancellor Helmut Kohl's desire and ability to press for deeper European integration appears very much intact, German and European officials said Monday.

Mr. Kohl's bargaining power in the European Union is stronger than his 10-seat parliamentary majority suggests because the opposition is deeply divided and the Social Democrats, which dominate it, share his vision of closer political and economic cooperation between EU member states, officials said.

"On European affairs, there's

no difference in the main policy direction between the Social Democrats and the two governing parties," an EU diplomat said.

While Mr. Kohl's Christian Democratic Union has enunciated a clear proposal for reforming the EU ahead of a crucial 1996 EU conference, most of his fellow leaders are ducking the issue because of big rifts at home, officials said.

A recent call by the Christian Democratic Union for a hard core of five EU countries to move faster toward a single currency and closer political cooperation has provoked little debate in France, for example. Both the ruling conservative coalition and the Socialists are seeking to avoid their internal

splits over the Union while jockeying for next spring's presidential election.

At his first post-election news conference, Mr. Kohl said Monday that "building the European house" remained a top priority for his new four-year mandate. As the coalition's plan spells out, that includes deepening EU integration to prevent any reversion to the deadly national rivalries of the past while extending the bloc's frontiers to provide stability and prosperity into Eastern Europe.

"If the Germans don't realize now that German unity as a historical event will be wasted if we don't press ahead in parallel with European unity, then there is no hope for the Germans," Mr. Kohl said.

A Spanish diplomat said the German coalition's reduced majority would not deter Mr. Kohl's aims for Europe but could make him more flexible in achieving them.

"They are sufficiently strong to be the good old Germany" at the forefront of European integration, he said, "and sufficiently weak with a narrow majority to be pragmatic. It's good news for Europe."

Perhaps more important for Europe than Mr. Kohl's majority was the reduced electoral support for the far-right Republican Party, which opposes the Union as part of its xenophobic policies, this diplomat said. "That is good for everyone."

## Pro-EU Nordics Bolstered by Finnish Vote

International Herald Tribune

BRUSSELS — Pro-European Union forces in Sweden and Norway claimed fresh momentum for their membership ambitions on Monday following the vote in favor of EU entry by Finnish voters.

In Finland, the final margin of 57 percent to 43 percent was slightly below expectations, given a more than 60 percent "yes" vote in advance returns last week, and lagged behind Austria's 67 percent vote in favor of membership in June.

Still, officials said it was just the type of signal they had

hoped for ahead of ballots in more skeptical Sweden on Nov. 13 and Norway on Nov. 28.

"The important thing was that it was a very, very clear result," said Mats Erikson, a spokesman for Prime Minister Ingvar Carlsson of Sweden.

Mr. Carlsson proclaimed himself "very pleased" when the result came in Sunday, saying it eliminated the main alternative put forward by campaigners for a "no" vote: that the Nordic countries form their own union to better protect their interests.

Prime Minister Gro Harlem

Brundtland urged voters in Norway, which rejected EU membership in 1972, to follow the Finnish example this time.

"One piece of the puzzle has now fallen into place," she said Sunday night.

The two prime ministers compared strategies when Mr. Carlsson traveled to Oslo on Monday for talks.

Much more than Austria's approval in June, the Finnish vote portends a historic shift in the European Union's direction. It takes the bloc directly to Russia, with which it will share a 1,270-kilometer (790-mile)

border, and strengthens the EU forces led by Germany that want to turn next to incorporating such East European states as Poland, Hungary and the Czech and Slovak republics.

"We are crossing border lines which were drawn up by the Cold War," a senior Foreign Ministry official said in Bonn. "The Union is visibly taking on responsibility in an undivided Europe."

He added that "this enlargement is but a step toward further enlargements" that will bring Eastern Europe on board.

— TOM BUERKLE

## WORLD BRIEFS

### Berlusconi Mafia Remarks Draw Fire

ROME (Reuters) — Opposition politicians sharply criticized Prime Minister Silvio Berlusconi on Monday for saying the Mafia was an insignificant force.

The leftist opposition in Parliament, whose main force is the former Communists, now known as the Democratic Party of the Left, demanded that the prime minister appear before the legislature's anti-Mafia commission to explain his comments. Mr. Berlusconi's remarks, made in Moscow during a visit on Oct. 14 and 15, received wide coverage in Italian newspapers on Sunday.

"In Italy, the reality of the Mafia is nothing in comparison to the reality of good, hard-working people," Mr. Berlusconi was quoted as saying. "The Mafia is probably one ten-thousandth or one-millionth of 56 million Italians," he said. "Are we going to let about 100 people give the world a negative image of Italy?"

### Afghan Election Plan Is Rejected

PESHAWAR, Pakistan (Reuters) — Opponents of the Afghan president, Burhanuddin Rabbani, rejected his plan on Monday for a traditional assembly to elect his successor and launched a rocket attack on Kabul that official radio said killed four people.

Mr. Rabbani and three other mujahidin leaders announced an agreement to convene the Loya Jirga, or grand assembly, to elect the next president. But the plan rules out any role for General Abdul Rashid Dostum, leader of the country's largest militia and a major ally of Prime Minister Gulbuddin Hekmatyar in the anti-Rabbani Supreme Coordination Council.

Militias controlled by Mr. Hekmatyar and General Dostum fired rockets into residential areas of Kabul on Monday, killing 4 people and wounding 17, Kabul radio said.

### Mitterrand Assails Political Funding

PARIS (Reuters) — President François Mitterrand has called for a ban on the financing of political parties by companies as corruption scandals jolt the center-right government of Prime Minister Edouard Balladur.

Mr. Mitterrand said that he was convinced that such funding creates unhealthy relationships between political leaders and company managers, he told the daily Ouest-France in an interview to be published Tuesday. "Let us ban this, and impose a ceiling on spending and measures on state financing and there will be less suspicions surrounding political life," he said.

"My experience teaches me that money has never decided the outcome of a poll, but many candidates have thought it does and have made mistakes," Mr. Mitterrand said.

### U.K. Pair Held in Romania Ask Aid

LONDON (AP) — The British couple convicted of trying to smuggle a baby out of Romania appealed Monday to Prime Minister John Major to intervene in their case.

Bernadette Mooney, 40, said in a British television interview: "We just do not know which way to turn. It is just hell. I cannot explain how we feel. It is just so awful. The prospect of going into prison is just so unthinkable."

She and her husband, Adrian, 42, were sentenced Friday to 28 months in prison for trying to take a 5-month-old girl out of the country. They are staying in a rented apartment in Bucharest with their 3-year-old daughter, whom they legally adopted in Romania in 1991, pending their appeal.

## TRAVEL UPDATE

### New Air Terminal Set for Frankfurt

FRANKFURT (APF) — Lufthansa German Airlines said it and the company that operates the Frankfurt airport would invest more than \$300 million the next three years in a terminal for the airline's use.

Aside from Lufthansa, the terminal will be used by partner companies, such as United Airlines and Thai Airways. Lufthansa said. Most of the work will be completed by 1996 and the entire project is expected to be finished by the summer of 1998.

The first two cases of cholera have been identified in Bucharest, an official said Monday. More than 60 cases have been reported in Romania over the last month, mainly in rural areas. (AP)

A record 21.9 million tourists will visit Portugal this year, a tourism official said, adding that tourism revenue would be up 3 percent to 4 percent over last year. (Reuters)

Singapore's air quality on Monday was at its best since a heavy haze of smog settled over the island state two months ago, an Environment Ministry official said. But the ministry said it was too soon to pronounce the lingering haze, which has also covered parts of Malaysia and Indonesia, officially dispersed. (Reuters)

## Swastikas Mar Holocaust Exhibit

Agence France-Press

ORANIENBURG, Germany — Two swastikas were daubed on photographs in a permanent exhibition at the former concentration camp at Sachsenhausen, near Berlin, the police said Monday.

They were discovered by an employee at the museum, which is housed in a former barracks used by prisoners. Some 200,000 people were deported to Sachsenhausen from 1936 to 1945, half of whom died.

In 1992, arson destroyed a camp barracks used by Jewish deportees at Sachsenhausen that housed another museum.

For business women going places, here's the place to stop.

THE LANDMARK OF BANGKOK

SUNWIT

138 Sukhumvit Rd., Bangkok 10110, Thailand.  
Fax (662) 253-4259 Tel (662) 254-0404

The Landmark of London is the Royal Lancaster Hotel

## WARNING: REPUBLICANS THREATEN TO SEIZE U.S. SENATE

Bob Dole, Phil Gramm, Jesse Helms and Orrin Hatch guarantee return to gridlock. That's the threat!

Right back. Vote now for Democrats.

Only the Democratic Majority will continue constructive change.

Voted ballots are due soon, by Nov. 4 in some states. Mail yours immediately or use the free DFL Worldwide Express service by Nov. 1.

If you haven't received a ballot by Oct. 24, but have applied, get a Federal write-in ballot as a substitute from your Congressional voting office or Democratic Abroad.

Democrats Abroad

Fax U.S.: (703) 788-0920 • Fax Europe (Rome): (39-6) 487 11 49

Paid for by Democrats Abroad

## New NATO Chief's No. 1 Goal: East as Partners

The Associated Press

BRUSSELS — NATO's new secretary-general began his job on Monday by saying that the Western alliance should give top priority to extending its "security and stability" to former foes in Eastern Europe.

Willy Claes, on his first day in the North Atlantic Treaty Organization's top civilian post, said the West should work with its "new partners to the East" to widen the security community.

"This is a historic duty, and I consider its realization the No. 1 goal of my tenure," said Mr. Claes, who was previously Belgium's foreign minister.

Mr. Claes was chosen by the Atlantic alliance's 16 member nations to succeed Manfred Wörner of Germany, who died of cancer in August after six years as secretary-general.

Mr. Claes did not refer to differences among the allies over the pace of opening up NATO to new members from the old Warsaw Pact.

Defense Minister Volker Rühe of Germany is leading calls within NATO for full membership to be granted quickly to Poland, Hungary, the Czech Republic and other former East bloc nations clamoring for an extension of the alliance's guarantee that an attack on one member is considered an attack on all.

Mr. Claes also avoided direct comment on the latest disagreement between NATO and the United Nations over the scope of allied action in Bosnia.

To call from country to country, or to the U.S., dial the WorldPhone® number of the country you're calling from.

Antigua (Available from public card phones only.) #2	Dominican Republic 8001-0022	Iceland 800-751-6624	Nicaragua (Outside of Managua, dial 02 first.) 889-002	Spain 800-88-0014
Argentina 001-800-333-1111	Ecuador 023-003-012	Iran 1-800-751-6624	Norway (Special Phone Only) 1-800-95-1001	Sweden 020-795-622
Australia 002-003-012	Equatorial Guinea (Outside of Lora, dial 02 first.) 1-800-624-1000	Italy 355-5770	Panama 177-150-2727	Switzerland 165-9272
Bahamas 800-002	El Salvador 0800-10012	Jamaica 195	Paraguay 172-1022	Syria 0090
Belgium 1-800-622-0484	Finland 0800-10012	Kenya 9800-102-80	Peru (Outside of Lima, dial 190 first.) 800-674-7000	Trinidad & Tobago (Special Phone Only) 00800-1177
Bermuda 0800-222	France 0800-222	Kuwait 00-1-99	Poland 800-MCI(800-624)	Turkey 001-180
Bolivia 000-8012	Germany (Limited availability in eastern Germany.) 1-800-888-8000	Lebanon 0130-0012	Portugal 800-624	United Arab Emirates 05-017-1234
Brazil 1-800-888-8000	Greece 1-800-624-1000	Liechtenstein 00-800-1211	Puerto Rico 800-624	United Kingdom 0800-88-0222
Cayman Islands 009-0316	Guatemala 980-15-0001	Luxembourg 1-800-624-6721	Romania 155-0222	U.S. using BT 0800-88-0222
Chile 000-8012	Haiti 080-90000	Mexico 001-800-444-1234	Russia 800-674-7000	U.S. using MERCURY 0800-88-0222
Colombia 000-8012	Honduras 080-90000	Netherlands 001-800-674-7000	Saudi Arabia 199-00-19	To call any other 800 number other than the U.S. 800-888-8000
Costa Rica 080-90000	Hungary 00-42-000112	Netherlands Antilles 009-800-01411	Slovak Republic 06-022-51-23	Uruguay (Collect not available.) 000-412
Cyprus 080-90000			South Africa 001-800-550-1022	U.S. Virgin Islands 1-800-888-8000
Czech Republic 00-42-000112				Venezuela 000-412

Use your MCI Card, local telephone card or call collect, all at the same low rates. (C) Country-to-country calling available. May not be available to/from all international locations. Certain restrictions apply. \* Limited availability. \* Wait for second dial tone. \* Available from LADATEL public phones only. \* Rate depends on call origin in Mexico. \* International communications carrier. \* Not available from public pay phones. \* Public phones may require deposit of coin or phone card for dial tone.

WORLDPHONE™ Let It Take You Around The World From MCI



# THE AMERICAS / PENAL FUTURISM

## For 400 Worst Convicts, a New Prison With a Vengeance

By Francis X. Clines

**FLORENCE, Colorado**—A pastel penitentiary of mirror-glass gun towers and hermetic cells opens its steel doors next month as the first federal prison ever custom-built for the "predatory" 400 worst convicts in the nation's booming penal system.

The new, \$60 million Administrative Maximum Facility glimmers here at the foot of the Rockies as impressive evidence of society's wrath and penology's adaptability to America's rate of imprisonment continues to rise to five times that of Western Europe's.

Inside, the prisoners will find a super-controlled environment that enforces a hard-edged solitude to contain the risk of social mixing and violence. Even the cell windows deny them all views of the outside except the sky above.

The prison is a study in penal futurism. It is the state-of-the-art diadem in America's growing prison kingdom in which the maximum-security level of heightened confinement has become something of a rage among the states, too, since it was introduced in 1983 by federal prison officials.

Twenty-five states have followed the federal lead and adapted prisons to be "maxis," and six more are planning such prisons. All involve techniques that limit the movement of dangerous prisoners beyond their cells to an hour or less a day, and then only with leg-irons, handcuffs and an escort of two or three guards per inmate.

This approach, resorted to after the murders of federal corrections officers by hard-core inmates sentenced to prison for life, is a state of individualized captivity. Less than 1 percent of inmates are subjected to its rigors, but it operates as a systemwide, worst-case deterrent in focusing on inmates rated unusually disruptive, predatory or escape-prone.

The new prison here further limits the risks of mobility by providing each inmate his own in-cell shower stall, with flood-proof plumbing controlled by monitoring guards. And each has his own television set, but in strict black-and-white on a 12-inch (30-centimeter) screen lest law-abiding taxpayers be roused by the notion of a felon free to stare at life in living color.

Critics like Marc Maurer of the Sen-

tencing Project, a nonprofit prison watchdog organization, say the prison opening coincides with the latest round of federal legislation that will seed billions of dollars more in prison construction, after a 20-year period in which the nation already quadrupled

**A hard-edged solitude is enforced, to contain the risk of social mixing and violence.**

its prison and jail population. The prison population has grown to 1.4 million from 350,000 in 1973, with more growth certain under the "three strikes you're out" laws being enacted on federal and state levels.

"I'm constantly amazed that 'getting tough' is treated as a new idea," Mr. Maurer said of the recent debate over the federal crime bill. "With four times as many people already in prison now, do you know anyone who really feels safer?"

Correction professionals, he added,

have been stressing that crime prevention and prison rehabilitation are being neglected by politicians in favor of dramatic lock-up mandates exemplified by the trend toward maximum security.

The new prison here is intended as a learned behavior capsule, with room for 416 inmates to progress back to general population life, cafeteria meals and group socializing if they cease misbehaving during three years in maximum security. Cells are larger than industry standards because of the 23-hour days lived within them. But they are designed to resist vandalism, with the felon's bed, desk, stool and bookcase all made of reinforced concrete anchored in place.

The shaving mirror is of polished steel deeply riveted to the wall to prevent the making of shivs and other weapons. Matches and cigarette lighters, the proven stuff of explosives in other prisons, have been replaced by a simple hole-in-the-wall apparatus for lighting cigarettes. Meals are dispensed in separate trays through slots.

The maxi design, with cordons of cold steel painted in soft green and

maroon, staggers the cells so that one inmate cannot make eye contact with his neighbors. Each cell has a double entry door, with the classic barred cage door backed up by a windowed steel door that minimizes voice contact among prisoners. Near the end of a three-year tour, a successful inmate gradually regains social contact.

"What puts a man in is his behavior, and what gets a man out is his behavior," said John M. Vanyur, the associate warden, who noted that the new federal anti-crime law had introduced the death penalty for an inmate's murder of a prison officer.

There was no such penalty when the maxi approach of manacled management was introduced after the slaying of two guards at the high-security federal penitentiary in Marion, Illinois.

The United States recently slipped to second place in the rate of imprisonment as Russia, plagued by a post-Communist wave of street crime and corruption, rebounded to first. Russia has 538 people in prison per 100,000 citizens, while the United States has 519. West European rates range from 60 to 100.

### ★ POLITICAL NOTES ★

#### Democrats Put On Happy Face, for Now

**WASHINGTON** — With a solid week of campaigning under their belts and just three more to go before voters cast their ballots, White House officials have shed some of the gloom that hung over their view of the midterm election.

"At least," said one White House official, "we've gotten beyond the stage of feeling we had to just hide here and say nothing. We're back on offense."

After seeming uncertain for weeks about what to say to voters in the wake of a disastrous congressional finale, President Bill Clinton now has a theme he is comfortable with — that voters should not allow Republicans to return the country to the economic policies of the 1980s.

At the same time, a week of good news on the foreign-policy front — the apparent backing down of Saddam Hussein in Iraq, coupled with the return of President Jean-Bertrand Aristide to Haiti — may have boosted Mr. Clinton. But even as his short-term prospects brighten, Mr. Clinton's aides acknowledge the long-term view is grim.

Mr. Clinton came into office with a clear project in mind — to rebuild American faith in government, a faith that had been shattered by the Vietnam War, Watergate, social decay in the cities and two decades of slow income growth for middle-income families.

Measured by how well they have met that goal, Clinton aides admit, their administration so far has failed. "We've really lost two years," a White House official said. "We're no closer than when we started."

#### Clinton Takes the Middle Road on Judges

**WASHINGTON** — While running for office two years ago, Bill Clinton promised to reshape the character of the federal courts, reversing the trend to the right under the Reagan and Bush administrations.

But given the opportunity to choose more judges in his first two years than any president in history, Mr. Clinton has made selections that are not expected to change the ideological hue of the bench, although they have won high praise for their diversity and quality.

The large number of judges who won confirmation in the final days of the Senate term brought Mr. Clinton's appointments to a total of 129, of whom almost 60 percent are either women or minorities, compared with 8 percent for President Ronald Reagan and 27 percent for President Jimmy Carter.

Political scientists, legal scholars and nonpartisan groups like the American Bar Association who have studied the new judges' records also said Mr. Clinton's choices were better qualified than those of Mr. Reagan or President George Bush.

But, perhaps paradoxically, those observers expected the newcomers would do little to alter the courts. The new judges were deliberately chosen to fit squarely in the judicial mainstream and were, by and large, replacing liberal Democrats.

While Mr. Clinton's appointments are not expected to undo the effects of the Republican years, according to legal experts, the crime legislation the administration pushed through Congress last month is expected to give a tremendous new impetus to a decade-long trend of transforming relatively minor infractions — historically the province of state courts — into federal offenses.

Justice Department officials said that as a result of the new law, they expected a significant increase in the prosecution in the federal courts of cases involving teen-agers with handguns and gang violence.

#### Quote/Unquote

Dee Dee Myers, the White House press secretary, on polls showing public support for President Clinton is increasing: "The momentum is shifting to us, the Democrats."

## Republicans Revive The Reagan Dream But Can They Make It Work?

By Richard L. Berke

**MUNCIE, Indiana** — Recall the glory days of Ronald Reagan. Attack Bill Clinton. Forget George Bush. Avoid troublesome issues like abortion. Attack Washington. Move to the right.

Six years after Mr. Reagan left the White House and two years after Mr. Bush lost the party's hold on it, Republican candidates around the country are once again trying to revive the Reagan legacy and, to some degree, his conservative legislative agenda.

An examination of campaigns for the House, the Senate and governorships nationally found that Republican candidates willing to call themselves moderates have all but disappeared.

Former President George Bush, who is still kept at arm's length by the party's right wing despite his fumbling embrace of it during the 1992 party convention, gets not even a passing reference from most candidates.

Still, this second attempt at a Reagan Revolution appears to be falling short of growing into a national legislative agenda, particularly the effort by Representative Newt Gingrich of Georgia, the House Republican whip, to unify House candidates with a grand agenda called "Contract With America."

Although the contract reads like the Reagan playbook, promising to cut taxes, increase military spending and balance the budget, many candidates are more comfortable espousing conservatism on their own terms. That leaves Mr. Clinton as the single theme that is galvanizing Republicans.

"This election is going to be a referendum on Clintonism versus a more conservative agenda that Ronald Reagan and Dan Quayle articulated," said David McIntosh, a Republican running for the House in the Second Congressional District here in central Indiana. "My platform is for lower taxes, less government and restoring Hoover values."

Mr. McIntosh, who is seeking the seat being vacated by Representative Philip R. Sharp, a Democrat, was among more than 300 Republican candi-

dates who marched to the steps of the Capitol last month to sign the contract. But back at home, Mr. McIntosh is not making much of the document. Rather, he, like many other Republicans who trooped to Washington, is using the Reagan mantle in large part to define what he is against.

In front of his headquarters in San Diego, Brian Bilbray, a Republican who is trying to unseat Representative Lynn Schenk, a first-term Democrat, also sounded a conservative call to arms. "The public is really in a state of mind where it's ready for a revolution."

Yet he, too, was reluctant to make too much of the contract, asserting that its goals "are not exactly the Ten Commandments."

Mr. Gingrich's strategy in trying to "nationalize" the elections has as much to do with trying to set a course for those Republicans who win as influencing the races in which they are running.

Mr. Bilbray, a county supervisor, asserted that even if the Republicans did not win the 40 seats they need to take control of the House, their ideology would eventually triumph.

"A lot of Democrats will start changing their approach to policy-making," he said.

But as a campaign tactic, it is the Democrats — eager to shift the political dialogue from attacks on Mr. Clinton — who are trying to keep the contract alive so they can depict Republicans as in lockstep with their leaders in foolishly advocating warmed-over Reaganomics.

No one has tried to draw the line more sharply than Mr. Clinton, who has derided the contract in recent days as a return to "failed policies of the past." A new advertising campaign by the Democratic National Committee stresses the same point.

The shift is particularly apparent in Senate races, where Republican nominees are generally far more conservative than in decades.

Here in Indiana, the 36-year-old Mr. McIntosh went so far as to lump Mr. Bush with Mr. Clinton, asserting that there are "similarities between Bush and Clinton" in that the core ideology of each man can be hard to pin down.



**AH, THOSE FOREIGN AFFAIRS** — President Bill Clinton being briefed on the situations in Haiti and Iraq. From left are his chief of staff, Leon E. Panetta; the national security adviser, W. Anthony Lake; the chairman of the Joint Chiefs of Staff, John M. Shalikashvili; Vice President Al Gore; Secretary of State Warren M. Christopher; Madeleine K. Albright, the chief UN delegate, and Deputy Secretary of Defense John M. Deutch.

## U.S. Watchdog Unit Gets a Bad Audit

By Robert Pear

**WASHINGTON** — The government's watchdog agency, the General Accounting Office, has strayed from its original fact-finding mission and tarnished its reputation for objectivity by becoming an advocate for policy changes, an independent evaluation of the agency says.

The study, in effect an audit of the government's top auditors, was issued last week by a panel of experts from the National Academy of Public Administration, a nonprofit organization chartered by Congress to increase the effectiveness of government at the federal, state and local levels.

Lawmakers continually cite the accounting office's findings in deciding whether to create, abolish, cut or revise programs. But in recent years, legislators of both parties have expressed concern that the agency sometimes seemed more eager to make policy pronouncements than simply to provide information.

Republicans in particular have complained that the accounting office has become a tool of Democrats in Congress.

The agency issues reports on many volatile issues, including health care, immigration and trade. It alerted Congress to problems in the savings and loan industry long before most people were aware of them. It has documented problems in dozens of weapons programs like the Bigeye chemical bomb,

the B-2 bomber and the Seawolf submarine.

The head of the accounting office, Comptroller General Charles A. Bowsher, defended the agency's independence and said, "We always strive to present our findings in a balanced manner." He added that the agency's recommendations were never based on "political or ideological considerations."

The study described the accounting office as an invaluable institution and found "no evidence of deliberate partisan bias" in its work.

But it said the office "seems to be exceeding its appropriate role" by venturing into the analysis and development of public policy.

The report found "no evidence that GAO has been steering its research toward satisfying particular policy or partisan interests."

But it said the accounting office "should not risk its reputation for objectivity by moving into policy advocacy."

The report recommended that the agency be more selective about the kind of work it takes on and said Congress should be more careful about the kinds of requests it makes of the agency.

With 4,581 employees, 26 field offices and a budget of \$443 million this year, the accounting office is busier than ever. It issued 1,115 reports and 4,200 legal rulings last year. It has saved \$107.6 billion for the government over the last five years.

# The Best Connections to the East...

Amsterdam dep. 09.05	Bratislava arr. 13.45
Berlin dep. 09.50	Bucuresti arr. 14.35
Brussels dep. 09.05	Budapest arr. 12.40
Düsseldorf dep. 09.15	Kiev arr. 14.50
Frankfurt dep. 09.20	Ljubljana arr. 15.40
Geneve dep. 09.05	Minsk arr. 14.35
Göteborg dep. 07.35	Moskva arr. 16.10
Hamburg dep. 09.20	Odessa arr. 15.05
Helsinki dep. 09.05	Praha arr. 15.45
Köbenhavn dep. 09.25	St. Petersburg arr. 16.15
London dep. 07.35	Sofia arr. 14.40
Madrid dep. 08.00	Timisoara arr. 14.35
Milano dep. 09.15	Tirane arr. 14.05
München dep. 09.35	Vilnius arr. 14.55
Paris dep. 08.10	Warszawa arr. 12.45
Roma dep. 09.05	Zagreb arr. 12.45
Stockholm dep. 08.30	
Stuttgart dep. 09.00	
Torino dep. 09.15	
Venezia dep. 09.05	
Zürich dep. 09.35	

### Away From Politics

- Thunderstorms brought up to 9 inches of rain across southeast Texas early Monday and caused extensive flash flooding that was blamed for at least two drownings. Both deaths occurred when rising waters swept cars off roads north of Houston, where some of the worst flooding was reported, Sheriff Guy Williams said. Two other persons were still missing.
- A nuclear plant ended tours after members of a chemistry club at the University of Southern Maine were exposed to radioactive gas.
- A man who is serving a 100-year sentence for murdering a federal witness and three CBS technicians in New York City in 1962 killed a fellow inmate at Auburn Correctional Facility, a state prison official said.
- A woman running laps around the reservoir in Manhattan's Central Park at night was seized from behind and raped by a man wielding a knife, a few blocks from where another jogger was beaten and raped by a gang of youths in 1989, police said. It was the 11th rape in the park this year, up from nine in all of 1993 and four in 1992, the authorities said.

- Five people were found shot to death inside a bar, the police said in Birmingham, Alabama. The two women and three men were discovered just before noon.

AP, NYT

No One Covers the New Europe Like...

# EUROPE

M A G A Z I N E

Subscribe to EUROPE, the only magazine that covers timely and important business, economic, and political events not only in the European Union but throughout Europe. From Paris to Moscow, from politics to travel, EUROPE gives you the information you need to stay on top of the news. No one covers the New Europe like EUROPE.

Return this coupon to EUROPE, P.O. Box 55935, Boulder, CO 80322-5935

☐ \$19.95 for one year (10 issues). ☐ \$34.95 for two years (20 issues).

\* Add \$10.00 to non-U.S. subscriptions for postage and handling.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

☐ payment enclosed ☐ please bill me, EMT4

...are those via Vienna International Airport, one of the most important hubs in Europe. Austrian Airlines, a Western airline with decades of experience in Eastern Europe, offer you 15 destinations in Eastern Europe. In many cases we have the quickest or even the only connection to important Eastern European cities. No matter which European city you start from, travelling via Vienna International Airport, with its modern infrastructure, short transfer times and superb shopping facilities, you will find more numerous and better quality onward connections to Eastern Europe than from any other airport. You may order our comprehensive flight transfer timetable in handy credit card format free of charge from Austrian Airlines. Simply photocopy your business card and fax it quoting reference "Transfer Timetable" to Fax no. +43-1-687928.

Welcome To

# AUSTRIAN AIRLINES



# Hanoi and Beijing Swap Claims Of Violations in Gulf of Tonkin

**Agence France-Press**  
**HANOI** — Tension rose abruptly between China and Vietnam on Monday after Hanoi accused Beijing of "systematic and unacceptable" violations in the Gulf of Tonkin.

Reacting to official protests from Beijing over the disputed area, the Foreign Ministry also warned that Vietnam reserved its right to "defend its territorial waters" should they come under threat.

"Vietnam has already made it clear to China that Chinese fishing boats have systematically violated not only our exclusive economic zone, but also our territorial waters," a ministry spokesman said.

The ministry assailed China's territorial claims in the Gulf of Tonkin, calling them a violation of the United Nations Maritime

Convention and "the sovereignty of Vietnam's exclusive economic zone and its continental shelf."

The criticism came just over a month before President Jiang Zemin is to make the first visit to Vietnam by a Chinese head of state since the two countries agreed to set aside their differences and normalize relations three years ago.

Last week, China filed an official protest with Vietnam, and a Foreign Ministry spokesman accused Hanoi of "gross violations of its rights and sovereignty" in the Gulf of Tonkin.

Beijing was angered that Hanoi had sought offers from foreign companies to develop oil deposits in the disputed area.

China's anger has been especially roused by Vietnamese development plans in the central

part of the Gulf of Tonkin and waters adjacent to the Chinese island of Hainan.

In June, Vietnam's National Assembly ratified the 1982 UN Maritime Convention on ocean rights, an accord that Hanoi says legitimizes its claim to sovereignty over areas of the gulf and the "Eastern Sea," known to the Chinese as the South China Sea.

The two countries began discussions on demarcation in the Gulf of Tonkin after Prime Minister Li Peng of China visited Vietnam in December 1992, but there has been no resolution.

Since then, the Vietnamese state concern PetroVietnam has been charged with carrying out oil exploration in part of the contested area, in association with foreign companies.

## U.S. Talks With Korea Remain in Deadlock

**The Associated Press**  
**GENEVA** — Negotiations between the United States and North Korea on Pyongyang's nuclear program remained deadlocked Monday with no progress reported at a three-hour session among technical experts.

A statement from the U.S. diplomatic mission said that no time had been fixed for further meetings.

In Beijing, Defense Minister Chi Haotian told Defense Secretary William J. Perry that China would try to use its good offices to end the impasse in the Geneva talks.

"There is a desire on the part of the Chinese that the Korean Peninsula remain nonnuclear," a U.S. official said after the meeting. "They do not want to see a North Korea with nuclear weapons."

China is a traditional ally of Communist North Korea and so could be used to mediate in the dispute.

The talks are aimed at fleshing out an outline accord, reached in August. In that agreement, Pyongyang offered to open up its nuclear facilities to international inspection and scrap its atomic power program, which uses old-fashioned technology that can produce bomb-making plutonium.

In return, Washington offered low-level diplomatic links and help in providing North Korea with more modern nuclear power plants.

Since then, little progress has been made.

Hopes of an imminent breakthrough early Saturday were dashed when evening when a meeting ended in acrimony.

The chief U.S. negotiator, Robert L. Gallucci, had an unscheduled meeting with his North Korean counterpart, Kang Sok Ju, on Sunday, but to no avail.



Machete-wielding vigilantes searching a Port-au-Prince slum for paramilitaries who have brutalized Aristide supporters.

## Singapore Police Question U.S. Scholar on Commentary

**Reuters**  
**SINGAPORE** — A Singapore-based American scholar who wrote a newspaper opinion piece criticizing Asian governments was questioned by the Singapore police on Monday, the professor said.

The American, Christopher Lingle, a senior fellow in European studies at the state-run National University of Singapore, said he was questioned for 90 minutes in his office by two Singapore police officers.

Singapore Ministry of Home Affairs and police spokesmen were not immediately available for comment.

Professor Lingle, a 46-year-old Atlanta native, said the in-

vestigators were accompanied by a university official. Professor Lingle said the officers told him that they were conducting an investigation into charges of contempt of court and criminal defamation based on a commentary he wrote that was published Oct. 7 in the International Herald Tribune.

The article, titled "The Smoke Over Parts of Asia Obscures Some Profound Concerns," disputed an opinion piece by a Singapore Ministry of Foreign Affairs official published in the International Herald Tribune on Oct. 1. Professor Lingle's commentary referred to unidentified "intolerant regimes in the region" and made critical comments about the judiciary in some.

The interrogators asked for Professor Lingle's original transcript and also for his research documents, he said. Professor

Lingle said he handed over about 100 periodicals—including The Far Eastern Economic Review, The Asian Wall Street Journal and The Economist—both from his office and later from his home when the officers met him there.

Professor Lingle said he was questioned intensively on whether a reasonable person would conclude that his article had impugned the judiciary and undermined general order in Singapore. He said he agreed to meet the officers again on Tuesday morning to hand over his original manuscript.

Professor Lingle is 13 months into a two-year contract at the National University. He said that he had published about 12 articles in the international press in the last year but that this was the first time he has been directly questioned by the government.

## Aristide Appeals for Justice as Mobs Roam

**Compiled by Our Staff From Dispatches**

**PORT-AU-PRINCE, Haiti** — President Jean-Bertrand Aristide renewed his appeal Monday for justice and reconciliation, just hours after a mob burned the home of the mother of the new army commander.

The mob burned the house belonging to the mother of Major General Jean-Claude Duperval after a false rumor circulated late Sunday that General Duperval had tried to assassinate Father Aristide.

At least nine other houses and five stores also were burned in the city of Gonaïves, including a house belonging to the grandmother of a former junta leader, Lieutenant Colonel Joseph Michel François, and the homes of at least five noncommissioned officers.

U.S. and Haitian security forces arrested more than 100 people in Gonaïves after the violence, a U.S. military official said Monday.

The violence illustrated the daunting challenge Father Aristide faces in bringing Haiti into a new era of democracy.

Father Aristide summoned General Duperval to the National Palace on Sunday to discuss how to dismantle the military, including cutting the army roster by 80 percent.

As several hundred Haitians waited outside, unfounded rumors spread that the army chief had tried to kill Father Aristide.

When General Duperval left, the crowd yelled and pounded on his car. Some in the crowd, carrying sticks and machetes, shouted: "Give us Duperval! We don't want the army anymore!"

On Sunday, two people were hacked to death as Aristide backers clashed with their former oppressors. At least 3,000 people were killed under repressive military rule after Father Aristide was overthrown in a coup in September 1991.

In the Cité Soleil slum of Port-au-Prince, the Aristide stronghold that had often been targeted by the army, two dozen Aristide supporters went on a machete-wielding rampage Sunday against members of the Front for the Advancement and Progress of Haiti. That paramilitary group killed and brutalized many Aristide supporters.

When the vigilantes found one member of the group, Loréus François, they bloodied his wife's face and tore her dress as she appealed to them to leave her husband alone.

A neighbor persuaded them to leave. Less than two hours later, witnesses said, Mr. François came outside and angrily stuck a machete into the first person he saw, a pull-cart driver named Jean, killing him.

The vigilantes returned and killed Mr.

François, then burned a Haitian Army helmet and an olive drab uniform they found in his home.

Father Aristide plans to trim the estimated 7,450-member armed forces to 1,500, although so many soldiers have deserted that the military's current size is unclear. Some army officers accompanied two coup leaders, Lieutenant General Raoul Cédras and Colonel François, into exile.

Father Aristide left the palace Monday for the first time since his restoration, briefly visiting the nearby National Museum on the day commemorating the assassination in 1806 of the Haitian independence leader, Jean-Jacques Dessalines.

As he left the palace, an enthusiastic crowd mobbed his motorcade as it emerged from an exit, forcing it to leave by a different route.

Father Aristide met Sunday with Prime Minister Robert Maïval, his cabinet and members of the House and Senate to discuss December legislative elections and cooperation between the executive and legislative branches.

The government is moving to identify human rights violators among Haiti's military so they can disarm and fire them, according to Mike Levy, an American aide to Father Aristide. (AP, Reuters, AFP)

To subscribe in Germany  
 just call, toll free,  
 0130 84 85 85

## INTERNATIONAL CLASSIFIED

### PERSONALS

THANKS to the staff of the International Herald Tribune for their assistance.

### ANNOUNCEMENTS

#### LIBRARY HOLDINGS SA

The shareholders of Libary Holdings SA, France, are invited to attend a meeting of the Ordinary General Assembly to be held at the offices of the General Secretariat, 11 rue de la République, 92000 Nanterre, on the 21st November 1994 at 11.30 a.m. to resolve on the following agenda:

- 1) To approve minutes of 1/91 of the meeting of the Ordinary General Assembly of the General Secretariat, 11 rue de la République, 92000 Nanterre, on the 21st November 1994.
- 2) To approve the report of the Board of Directors on the activities of the company for the financial year ending 31st December 1993 and 1992 and the appropriation of the net profits.
- 3) To approve the Balance Sheet and Profit and Loss account for the financial year ending 31st December 1993 and 1992 and the appropriation of the net profits.
- 4) To approve the appointment of Auditors and Young AG, Zurich as auditors of the company for the financial year ending 31st December 1994.
- 5) To give thanks to the members of the Board of Directors.
- 6) Any other matters.

Attention visitors from the U.S.!



If you enjoy reading the IHT when you travel, why not also get it at home? Same-day delivery available in key U.S. cities.

Call (1) 800 882 2884  
 (In New York call 212 753 3894)  
 Herald Tribune

**BAREME AS 24**  
 For New Year's Eve  
 (Production disponible sur demande)  
 Remplacez les barèmes existants

**FRANCE** (zone C) en FF - TVA 18.0%  
 GO: 3.29 SC97: 4.70  
 U.K. zone B en £ - TVA 17.5% (incl 0%)  
 GO: 0.424 SC97: 1.40

**ALLEMAGNE** Zone C DM - TVA 15.0%  
 GO: 0.34 SC97: 1.40  
 BELGIQUE en FB - TVA 20.0%  
 GO: 20.50 SC97: 26.38

**ESPAGNE** en Ptas - TVA 15.0%  
 GO: 69.91 SC97: 94.25

\* Usage réglementé

**ALCOHOLICS ANONYMOUS** English speaking meetings, 1st & 2nd floors, 11 rue de la République, 92000 Nanterre, France. Tel: 01 47 23 80 80.

**FEELING LOW?** — leaving problems? SOS HELP center in France, 3 p.m. - 11 p.m. Tel: Paris (1) 47 23 80 80.

**EDUCATION**  
 FRENCH MADE EASY. Part 1, Small groups, communication skills, 4 hrs/week, F100/mo. 1-4229106 to lesson free.

### FRIENDSHIP

PRETTY AMERICAN WOMAN, 28, blonde, living in France, seeks genuine and honorable gentleman for mutually rewarding friendship. Call home on 01 63 397 90 ext. 18

### DUTY FREE SHOPS

#### FREDDY

Newly renovated shop in heart of Paris. Come in & buy all your perfumes & gifts. Buy free of SAVINGS OF 40% on all goods from the "Opéra" next to the American Express Bank. FREE GIFT with this ad. Mon-Fri, 9-6:30, 10 rue Aubert, Paris 9, Metro Opéra.

### FOR SALE & WANTED

#### SALE-FURNITURE, KITCHENWARE

weather-dryer. All almost new. Tefal, modern. 48 cm. 21 cm. By appointment. 48 28 77 54

### REAL ESTATE FOR SALE

#### MONACO

**MONTE CARLO**  
 New project with 1000 sqm apartments available. Panoramic view, double office space, attractive prices. Further details: Mrs. S. B. 06 90 00 00. 9 rue de la République - MC 98000 Monaco. Tel: (33) 92 16 90 00

### SWITZERLAND

#### LAKE GENÈVE & MOUNTAIN RESORTS

Sole to foreigners authorized. Select properties & chalets in MONTREUX, VILLARS, Gstaad, 125 beautiful villages. VILLARS, CRANS-MONTANA, etc. 1 to 5 bedrooms, 300 to 3,500 sqm, 3.5 to 12 km. 52, Montreux, CH-1211 Geneva 2. Tel: 41 22 734 15 40. Fax: 734 12 20

### REAL ESTATE TO RENT/SHARE

#### HOLLAND

\*\*\*\* 600 APARTMENTS \*\*\*\* Long & Short Term Leases for long-term residents & short-term visitors. 2/3 bedrooms, 2/3 bathrooms, quiet & bright. 1100 sqm. Tel: (1) 42 23 44 22 or (1) 42 23 44 22

### PARIS AREA FURNISHED

#### AGENCE CHAMPS ELYSEES

OFFERS HIGH CLASS APARTMENTS  
 16th-18th, 5 rooms, 2 baths, FF22,000  
 16th-18th, 5 rooms, 2 baths, FF22,000  
 16th-18th, 5 rooms, 2 baths, FF22,000  
 2 baths, FF22,000  
 2 baths, FF22,000  
 Tel: (1) 42 25 32 25

### AGENCE CHAMPS ELYSEES

specialists in furnished apartments, residential areas, 3 months and more.  
 Tel: (1) 42 25 32 25  
 Fax: (1) 42 25 32 25

### AT HOME IN PARIS

#### PARIS PROMO

apartments to rent furnished or not. Sales & Property Management Services. 25 Av. Hoche 75008 Paris. Tel: 1 456 1100  
 Tel: (1) 45 63 25 60

### CAPITALE & PARTNERS

Handpicked quality apartments, all sizes, Paris and suburbs.  
 Tel: 1-4614 8311. Fax: 1-4772 3096

### PARIS 12th - METRO NATION, near

70 sqm, equipped kitchen, bathroom, double living WC, bathroom, CABLE TV. Available now. 16,800 net/month. Tel: (1) 43 46 07 64

### 8th ELYSEES FAUBOURG ST HONORE

Spacious and elegant, 4th floor, 140 sqm, perfect location, 2 large bedrooms, beautiful 2 bathrooms and kitchen, very quiet. FF18,000. Tel: (1) 47 23 04 84

### ST. PETERSBURG, Excellent western

unfurnished apartment - 2 rooms, separate kitchen, double living, separate WC, full security. Next to American Consulate. \$17,000 per month. Tel: 44 71 267 825 or 7 812 539210

### RUSSIAN REPUBLIC

#### FINANCIAL SERVICES

**FUNDING PROBLEMS?**  
 Venture Capital - Equity Loans  
 Real Estate - Business  
 Financing - Long Term  
 Collateral Supported Guarantees  
 Borrowable guarantees to secure funding for viable projects arranged by:

### Bank of Asia

Commission agent only upon funding.  
 Broker's Commission negotiable.  
 Fax: (63-2) 810-7284  
 Tel: (63-2) 810-2570 or 812-4229

### BUSINESS SERVICES

#### Save on International Phone Calls

Save 50% and more compared to local phone rates. Call from home, office, even hotels (and avoid surcharges). Check our rates for any country and see how you can start saving today.  
 Call us now and we'll call you right back!  
 Tel: 1-206-284-8600  
 Fax: 1-206-282-6666  
 Lines open 24 hours.

### CONFIRMABLE DRAFTS BACKED BY CASH

Issued in Your Name  
 Confirmed by Major Int'l Banks  
 To Prove Availability of Funds  
 Backed by Private Investors  
**FF FINANCIAL SUPPORT SA**  
 Geneva, Switzerland  
 Tel: (41) 22 734 15 40 Fax: 734 12 20

### Today's EDUCATION DIRECTORY

Appears on Page 8

### EMPLOYMENT

#### EDUCATIONAL POSITIONS AVAILABLE

**LOOKING FOR A YOUNG LADY**  
 20-25 years old, American or English, to take care of a little girl (12 years old, during the weekend) in Paris, and to give English lessons. Please reply to Box No. 3541, 1117, 92501 Neuilly, Cedex, France.

#### WE ARE LOOKING FOR ENGLISH or American teachers for our Language Department. Please contact us for an interview. Call Paris (1) 43 94 16 33.

### EDUCATIONAL POSITIONS WANTED

**FRENCH ARTIST/ART TEACHER** with portfolio orders Middle East & teaching post Australia/USA. Tel: (33) 93 01 40 10

### DOMESTIC POSITIONS WANTED

**EXPERIENCED COUPLE** available now. French, English, and some Spanish. Tel: 201 1457322.

### LEGAL SERVICES

#### DIVORCE FAST - \$495

Guaranteed by U.S. Embassy. Call/Fax: 014 9880000

### LOW COST FLIGHTS

**WORLD AVIATION - SCHEDULED**  
 FLIGHTS: 1st, business, economy or lowest fares. Tel: 01 75 513 1313

### BUSINESS MESSAGE CENTER

#### READERS ARE ADVISED

that the International Herald Tribune cannot be held responsible for loss or damage to property or loss of income or interruption of service resulting from advertisements which appear in our paper. It is a warning recommended by all readers.

### CAPITAL AVAILABLE

**FUNDS AVAILABLE FOR ALL BUSINESS PROJECTS**  
 OF ALL LETTERS OF CREDIT BANK GUARANTEES OTHER ACCEPTABLE COLLATERAL  
 Broker's commission guaranteed  
 Members: ILLP, I.B. & Co  
 FINANCIAL INSTITUTION  
 Brussels - BELGIUM  
 Information by fax: 32-2-534 02 77 or 32-2-534 02 91  
 TEL: 3277

### FUNDS AVAILABLE AGAINST

Letters of Credit  
 Bank Obligations  
 Other Acceptable Collateral  
 Backed by Private Investors  
**THRU MAJOR INT'L BANKS**  
**FF FINANCIAL SUPPORT SA**  
 Geneva, Switzerland  
 Tel: (41) 22 734 15 40 Fax: 734 12 20

### CONFIRMABLE DRAFTS BACKED BY CASH

Issued in Your Name  
 Confirmed by Major Int'l Banks  
 To Prove Availability of Funds  
 Backed by Private Investors  
**FF FINANCIAL SUPPORT CORP.**  
 (714) 757-1070 Fax: 757-1270

### OFFSHORE COMPANIES FROM £150

Various countries, Full services, INTERNATIONAL COMPANY SERVICES (UK) Limited  
 Broadchurch House, 2, Old Road Street, London W1X 3TB  
 Tel: +44 71 493 2244  
 Tel: +44 71 491 0605

### OFFSHORE COMPANIES

For free brochures or advice Tel: London 44 81 741 1224 Fax: 44 81 748 6558

## THE IHT/DELTA AIR LINES DESTINATIONS COMPETITION

### HERE'S HOW TO ENTER.

Test your travel knowledge! Each day for 18 consecutive days, a clue describing a city to which Delta Air Lines flies will be published. Using Delta's Map, fill in the name of the city correctly for at least 12 of the 18 days and qualify to win.

Once you have at least 12 answers, put them in an envelope and send them to us with the completed coupon below.

Winners will be selected from an official drawing. The first 10 entries drawn with the correct responses will be the winners.

### WIN FABULOUS PRIZES

- First Prize:**  
 Two round-trip Trans-Atlantic First Class tickets.
- Second Prize:**  
 Two round-trip Trans-Atlantic Business Class tickets.
- 4 Third Prizes:**  
 AT Cross, gold plated, diamond cut, roller ball pens, the Signature Collection.
- 4 Fourth Prizes:**  
 Gold Piel men's wallets.

### Delta Air Lines' Destinations Map



### RULES AND REGULATIONS

1. Airline tickets are non-transferable and seats subject to availability.
2. Travel must be completed by December 31st, 1995.
3. Entry must be postmarked no later than November 7th, 1994.
4. Valid only where legal. No purchase necessary.
5. Entries will not be accepted from staff and families of the IHT newspaper, Delta Air Lines, their agents and subsidiaries.
6. No correspondence will be entered into. Proof of postage will not be accepted as proof of receipt.
7. No cash alternative to prizes.
8. Winners will be drawn on November 15th and published thereafter in the newspaper.
9. On all matters, the editor's decision is final.
10. The editor reserves the right in his absolute discretion to disqualify any entry, competitor or nominee, or to waive any rules in the event of circumstances outside our control arising which, in his opinion, make it desirable to cancel the competition at any stage.

### YOUR RESPONSE:

**Clue 8:** Me, Stanley, spotted with Bovine in Turkey.

Name of City: \_\_\_\_\_

NAME \_\_\_\_\_

JOB TITLE \_\_\_\_\_

COMPANY \_\_\_\_\_

ADDRESS \_\_\_\_\_

POST CODE \_\_\_\_\_ CITY \_\_\_\_\_

COUNTRY \_\_\_\_\_ TEL \_\_\_\_\_

Send coupons to: IHT/Delta Competition, International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France.

**Herald Tribune**  
**DELTA AIR LINES**  
 YOU'LL LOVE THE WAY WE FLY



## In West Bank, Approval of the Kidnappers' Goal

By Alan Cowell

New York Times Service

AMARI, Israeli-Occupied West Bank — When Nachshon Waxman, the Israeli soldier killed after being abducted by Islamic militants, was buried, thousands of Israelis poured into the darkness of the Mount Herzl military cemetery at midnight to mourn a man they considered their latest martyr.

A Palestinian mother of four in this refugee camp near the West Bank town of Ramallah saw things in a different light.

She preferred to focus not so much on the violent outcome — three kidnappers and another Israeli soldier also died in the rescue attempt last Friday — as the stated goal of the hostage-taking: to force the release of Palestinian prisoners from Israeli jails in return for the soldier's life.

"We have families who have lost their sons, we have families with relatives in prison, we have families who paid the price of occupation," said the woman, who identified herself as Oum Ashraf, meaning mother of Ashraf. "So, people can justify that kidnapping," she said. "It was legitimate. Their sons are dear to them, and our sons are dear to us."

Palestinians here and elsewhere in the West Bank echoed her view. None seemed ready to follow Yasser Arafat, the head of the Palestine Liberation Organization, in condemning the kidnapping, which was carried out by members of the militant Islamic group Hamas.

Their comments seemed to underscore a familiar collision of perceptions here: Actions that appear as atrocities to one side are often interpreted by the other as appropriate moves in a legitimate struggle.

"What do the occupiers expect of us?" said Ghassan Safi, 25, a sociology student at Bir Zeit University, near Ramallah.

The kidnapping ended when Israeli forces stormed a house just north of Jerusalem in the village of Bir Nabala. The Israeli authorities say the kidnappers killed Nachshon Waxman, who was promoted posthumously from corporal to sergeant.

The episode brought new strains to the settlement between the PLO and Israel, which permits limited self-rule in the Gaza Strip and Jericho.

Israel at first insisted that its soldier was being held in Gaza, not Israeli-

occupied territory. Under pressure from the Israelis, the Palestinian police rounded up hundreds of the Islamic militants in Gaza who oppose the agreement with Israel.

For some Palestinians, this was a new setback to Mr. Arafat's credibility.

"Arafat is in bad shape," said Ibrahim Saeed, 30, who sells shoes. "He is embarrassed because the Israelis made him their tool. He became an instrument, not a decision-maker."

The 60-year-old co-owner of a taxi company in Ramallah said, "The hopes which Arafat gave us as a result of this settlement are going to disappear."

A woman in this refugee camp who identified herself as Oum Abed said: "There are limits to everything, and Arafat has reached his limits because the Israelis didn't give him anything. They didn't give him the opportunity to achieve peace."

At the core of the frustration of many Palestinians lies Israel's refusal to release more of the thousands of prisoners it is holding. That is another reason why many Palestinians were prepared to support the abduction of Corporal Waxman, people said.

"They express their support for this act by Hamas because they look at it from one angle — the angle of the prisoners," said Ahmed Deek, a senior member of Mr. Arafat's Fatah movement in the West Bank.

"Every woman wants to see her son released, and if this isn't resolved the kidnappings will continue," said Oum Abed, who has six sons and four daughters. She said one of her sons had died in the uprising and the other five had all been detained by Israel at one time or another.

But there are other considerations that touch on basic ways of doing business. Where Israeli leaders insist, as Prime Minister Yitzhak Rabin did Friday night, that there can be no bargaining with terrorists, many Palestinians felt there was still time to talk.

"Our understanding was that there could be an extension of the ultimatum," Mr. Deek said.

Ibrahim Barghouti, a lawyer in Ramallah said that "Mr. Rabin made a very big mistake."

## Iraq, in Unexpected UN Rebuff, Refuses to Recognize Kuwait

### U.S.-Russian Rift Over Sanctions Deepens

By Julia Preston

Washington Post Service

UNITED NATIONS, New York — Iraq failed to recognize the sovereignty of Kuwait on Monday in a special Security Council session, rebuffing international expectations, while the United States and Russia clashed over lifting sanctions against Baghdad.

The meeting, which brought some of the sharpest verbal sparring in recent times in the council chambers, was called to hear Foreign Minister Tariq Aziz, the Iraqi deputy prime minister. Baghdad showed that it remains reluctant to renounce its territorial claims to Kuwait, and embarrassed Russia in front of an assembly of world powers.

Also starkly exposed were the differences between Russia, which is seeking an eventual opening toward Iraq, and the United States, whose policy in practice amounts to keeping severe trade sanctions in place as long as President Saddam Hussein is in power.

The council is now deeply split over Iraq. France's chief delegate, Jean-Bernard Merime, seconded Russia's position that the council must move toward sanctions relief if Iraq complies with the letter of UN resolutions requiring it to recognize Kuwait and cooperate with weapons destruction.

During a visit on Monday to Kuwait, Alain Juppé, the French foreign minister, differed with the United States over the meaning of a measure the council adopted unanimously Saturday limiting Iraqi troop deployments near Kuwait. Mr. Juppé said the United States must return to the United Nations for a new authorization if it intends to use a military strike to enforce the resolution.

But Secretary of State Warren M. Christopher, in New York, insisted that the United States already had the necessary authority under previous

UN measures. "Next time, we'll probably not wait," he said. "We will take action, strong action," against Mr. Saddam.

Mr. Aziz limited himself to restating the terms of an agreement that Mr. Kozyrev struck in Baghdad last week. Iraq said it would "positively resolve" the issue of Kuwait's borders, and Russia pledged to campaign for a fixed time limit for the Security Council to lift a global trade embargo that has crippled Iraq's economy. The accord raised hopes that Mr. Aziz would use the high-profile forum of the United Nations to declare Iraq's formal recognition of Kuwait.

Mr. Aziz said only that the border recognition is "under consideration." Until now, Iraq has referred officially to Kuwait as its 19th province and refused to use the name of Kuwait in any government discourse.

In Baghdad, a special closed session of Parliament, called amid speculation it would ratify a formal recognition of Kuwait, adjourned with no decision announced.

In a speech, Mr. Kozyrev ar-

gued that the Security Council should establish a six-month testing period to see if Iraq continues to cooperate with a UN commission monitoring and dismantling its weapons of mass destruction. After that, the council should consider lifting sanctions, he said.

Although Mr. Kozyrev met Monday morning in New York with Mr. Christopher, they were not able to close the divide over Iraq. Mr. Kozyrev, in his UN speech a few hours later, criticized the United States for a "hasty" and "inadequate and misguided" reaction to his accord with Mr. Saddam.

The chief U.S. delegate to the United Nations, Madeleine K. Albright, replied bluntly that Iraq had destroyed its credibility with aggressive troop maneuvers earlier this month. She said the United States sees "no more value" in Iraq's promises to Russia than in past pledges it broke.

She called on the council to reject the Russian approach, saying Mr. Saddam should be held to complying with all of UN resolutions for a long time before sanctions can be lifted.

## PEACE:

### Accord Is Initialed

Continued from Page 1

flowed to Amman after a week dominated in Israel by the abduction and killing of an Israeli soldier by militants from the Islamic movement Hamas.

The episode, which ended with the killing of the Israeli captive, another Israeli soldier and three Hamas guerrillas, seemed to highlight the problems of Israel's agreement with the PLO, many of them stemming from Palestinian militants opposed to peace.

The initialing of the draft did not represent the end of negotiations.

On Tuesday, officials from the two sides are to begin detailed talks on annexes to the treaty in the Jordanian Red Sea port of Aqaba. Israel radio said the final signing ceremony would take place on Oct. 27 in the border area between Eilat and Aqaba. The agreement has also to be ratified by both parliaments, an act regarded as a formality.

Of the outstanding issues, water was the most far-reaching.

According to Jordanian accounts, both Israel and Syria have progressively restricted Jordan's access to the water of the Jordan and Yarmuk rivers so that, of an annual allotment of 477 million cubic meters a year once urged in American-sponsored proposals, Jordan is currently receiving none from the Jordan River and only 100 to 110 million cubic meters from the Yarmuk.

Israel's reported agreement to divert 50 million cubic meters per year to Jordan, presumably from the Sea of Galilee area, is thus a major economic boost, and a peace dividend, for a country whose underground water supplies are rapidly being exhausted.

The agreement did not please everyone.

Jordan's own Islamic fundamentalists vowed to oppose the accord, saying it was against "everything Muslims and Arabs stand for and believe in."

In Israel, Likud opposition officials questioned the haste with which the agreement had been reached. "Always there are concerns, especially when I see the hurry," said former Prime Minister Yitzhak Shamir.



APPEAL HEARING — A Kuwaiti lawyer talking Monday to three Iraqis sentenced to death for plotting to kill George Bush. It was the first day of their appeal hearing in Kuwait. The court is looking into the sentences passed by a state security court in June against 9 of the 14 men charged in connection with a plot to kill Mr. Bush during a 1993 visit.

## Pentagon's Two-War Doctrine Faces a Challenge of Logistics

By Eric Schmitt

New York Times Service

WASHINGTON — America's latest military showdown with Iraq, at a time when U.S. forces are in Haiti, is raising questions about the Pentagon's ability to meet its strategy to win two major wars at nearly the same time.

With about 20,000 troops in Haiti, the U.S. involvement barely ranks as a minor contingency. And the more than 30,000 Americans in or bound for the Gulf now, as well as the 155,000 additional ground troops on alert, are a far cry from the more than 500,000 who fought the 1991 Gulf War.

Executing these two missions at the same time has not strained the military's combat power or logistical support. But fighting major land wars in the Gulf and, as the strategy envisions, on the Korean Peninsula simultaneously would pose serious problems.

The issue is not whether the United States has enough

troops or firepower to vanquish two separate foes. Most military experts say it probably has. But critics contend that the Pentagon's main bottleneck centers on a shortage of transport planes and cargo ships to haul tanks, artillery, and equipment to two far-flung battlefields at once.

"Logistically, you just can't do it," said Eliot A. Cohen, a professor at the Johns Hopkins School of Advanced International Studies, who was a director of a Pentagon study of air power in the Gulf War.

In testimony before a Senate committee this year, General Joseph P. Hoar, then head of the U.S. Central Command, which is responsible for military operations in the Middle East, said: "Strategic airlift in this country today is broken. I'm not sure it is workable today for one major regional contingency."

Senior Defense Department officials insist that their strategy is sound, particularly since

several improvements were made in the aftermath of the Gulf War.

The army, for instance, has stockpiled equipment for a total of two brigades, or about 5,000 soldiers, in Kuwait and on Diego Garcia in the Indian Ocean. And the navy is buying or converting 19 ships specially designed to load and unload tanks, trucks, and other vehicles quickly.

Although the U.S. military has shrunk to 1.6 million troops from 1.8 million since the Gulf War, the arsenal will in some ways be more potent in the near future. The air force and the navy have since 1990 more than doubled the number of attack planes that can drop laser-guided bombs. The intelligence services have also sharpened their reconnaissance abilities.

Nonetheless, some military commanders and critics in Congress voice concern that the declining American military will not be able to wage war on two fronts.

## Iran's Caviar Output Drops

Agence France-Press

TEHRAN — Iran's caviar production is expected to fall for the third consecutive year by about 10 percent because poaching and pollution are exhausting fish stocks in the Caspian Sea, a fishing official said Monday.

The official said in the Kayhan newspaper that the production of caviar could fall by another 15 tons this year. Iran produced 130 tons of caviar in 1993, compared with 180 tons in 1992 and 200 tons in 1991.

Experts have blamed pollution and illegal fishing in Iran and the former Soviet republics bordering the Caspian Sea for the depleted stocks of sturgeon from which caviar is derived. They estimate that 1 million sturgeon are being caught illegally each year.

## Herald Tribune

LIVING IN THE U.S?  
NOW PRINTED IN  
NEW YORK  
FOR SAME DAY  
DELIVERY IN KEY CITIES  
TO SUBSCRIBE, CALL  
1-800-882-2884  
(IN NEW YORK, CALL 212-752-3890)

## The IHT Pocket Diary Fits In The Palm Of Your Hand.

Year after year — even at a period when diaries abound — the International Herald Tribune flat, silk-grain leather diary is the hit of the season.

Ingenuously designed to be thinner-than-thin, it still brings you everything... including a built-in note pad with always-available "jotting paper". Plus there are conversion tables of weights, measures and distances, a list of national holidays by country, a wine vintage chart, and many other useful facts. All in this incredibly flat little book that slips easily into a pocket.

The perfect gift for almost anyone... including yourself.

Please allow three weeks for delivery.

## Herald Tribune

Please send me 1995 IHT Pocket Diaries.

Price includes initials, packing and postage in Europe:  
1-4 diaries UK £22 (U.S.\$33) each  
5-9 diaries UK £30.50 (U.S.\$31) each  
10-19 diaries UK £18 (U.S.\$27) each

☐ Additional postage outside Europe £4.50 (U.S.\$6.90)

☐ Check here for delivery outside Europe by registered or certified mail: £5.75 (U.S.\$8.60).

Payment is by credit card only. All major cards accepted.

Please charge to my credit card:

☐ Access ☐ Amex ☐ Diners ☐ Eurocard ☐ MasterCard ☐ Visa

Card No. \_\_\_\_\_

Exp. \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City/Code \_\_\_\_\_

Country \_\_\_\_\_

Company EEC VAT ID No. \_\_\_\_\_

Mail or fax this order form to: International Herald Tribune Offices, 37 Lambton Road, London SW20 0LW U.K. Fax: (44 81) 944 8243.

## Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

# 28,606 \$ millionaires get more out of iht.

Our recent reader survey revealed some startling facts about our readers, not least your wealth. On average, your household investments are valued at a most impressive US\$ 886,400.\*

You're probably among the majority of readers who value our regular Saturday Money Report and our concise yet comprehensive editorial style.\*

Simple evidence, we think, that our pages are a rich vein for both you and the leading financial services companies who advertise with us.

The summaries of the surveys from which these facts are taken, please call, in Europe, Andrew Thomas on (33-1) 46 37 93 81; in Asia, Andrew Thomas on (65) 223 6478; in the Americas, Richard Lynch on (212) 752 3890.

\*Source: Reader Satisfaction Survey '94



# Herald Tribune

Published With The New York Times and The Washington Post

## Labor Rights in Indonesia

The Clinton administration is having a hard time deciding whether to impose modest trade sanctions against Indonesia for denying workers their basic rights. First it demanded changes by February 1994. Then it let that deadline pass and dropped formal scrutiny of Indonesia's performance for six months. Now it seems ready to delay any action until after President Bill Clinton visits Jakarta next month for the Asia-Pacific summit meeting. Such protracted delay helps no one. The administration should tell Indonesia now what it still needs to do and set a firm deadline for doing it.

As a low-income developing country, Indonesia is eligible for reduced tariffs on certain products through a program called the General System of Preferences, or GSP. About \$900 million in Indonesian exports entered the United States under this program last year. But by U.S. law, countries benefiting from GSP are required to take steps to accord their citizens internationally recognized labor rights.

In Indonesia's case that means getting the army out of labor disputes and letting workers form independent unions. As the February deadline approached, Indonesia promised Washington it would take meaningful steps in both areas. It has had eight months to put those promises into effect.

A U.S. investigative team recently visited Indonesia to assess compliance. Its findings are not yet available. Human rights groups report some progress, but they say that the military still interferes in labor matters and the government is still trying to crush the main independent union. Last month, 28 members of Congress urged the Clinton administration

to revoke Indonesia's GSP benefits.

But the GSP debate is now taking place in a radically changed context. In May, the Clinton administration dropped all human rights conditions on trade with China. As repressive as Indonesia's labor policies are, they are less harsh than Beijing's. In recent weeks, Commerce Secretary Ron Brown has called for expanding trade with China and Indonesia, ignoring human rights concerns. The message is clear: Washington's human rights talk need not be taken seriously.

If President Clinton wants to salvage any credibility on rights, he needs to modify that cynical message at once.

Withholding trade benefits is an appropriate tool for punishing labor abuses, which offend human rights and confer unfair trade advantages to the violator. In the case of the General System of Preferences, upholding labor standards is required by law. But if the administration sincerely believes that trade and development are the best ways to advance human rights, other forms of pressure are available. These include outspoken diplomacy, votes in the UN Human Rights Commission and restrictions on military training and sales for countries whose armed forces are involved in human rights abuse. The latest foreign aid bill specifically instructs U.S. representatives in multilateral development banks like the World Bank to take worker rights into account when they cast their votes.

Right now, the administration seems at a loss over human rights policy. Renewing the pressure on Indonesia over labor rights could help it find its way again.

—THE NEW YORK TIMES

## Merely Politics as Usual?

Newt Gingrich, the House Republican whip and would-be speaker if the Republicans win control of that body next month, blurted out some remarkable statements the other day during a session with lobbyists on Capitol Hill. They raise a lot of questions about what the House might be like under Mr. Gingrich's leadership.

For example, when he was killing a bill that would have cut off the free golf trips and other lobbyists' gifts to members of Congress, he wrapped himself in the mantle of religious liberty, encouraging talk show hosts to assail the needed legislation on the false ground that it would inhibit the speech rights of religious groups.

But he told the Capitol Hill gathering that Republicans planned to raise money from — you guessed it — lobbyists, by saying that his party had saved them from "Stalinist" and "punitive" measures supported by Democrats. Presumably, it is "Stalinist" to require lobbyists to disclose some of their activities to the voters and to prohibit them from sending their favorite congresspeople on tennis jaunts.

Mr. Gingrich, who talks a good game about the need for "change" and an end to "corruption" on Capitol Hill, seemed to relish the prospect of telling lobbyists that he had preserved their way of life and that of freebie-taking members of Congress.

Or take his statement that his strategy in the campaign was to portray pro-Clinton Democrats as "the enemy of normal Americans." Ann Devroy and Charles Babcock of The Washington Post asked

him about this statement, and he said he should have used the word "threat" in place of "enemy." Either way, where does a politician who wants to exercise substantial power get off deciding who is and who isn't a "normal" American?

Mr. Gingrich argues that the closer Republicans get to control of the House, the more uneasy "Washington" gets over the prospect of having all that power in the hands of the Republican Party. That is certainly true of Democrats in the House, but something that transcends partisanship is going on here. The closer Mr. Gingrich gets to the top, the more reckless he seems to become. He spoke, for example, of having 20 task forces or subcommittees at work investigating alleged White House corruption, although he later admitted that 20 was "not a serious number." Indeed.

Mr. Gingrich rose to fame by attacking the House Democrats for abusing power. In a number of those cases, we agreed with him. Most recently, we argued that Democrats have been too eager to restrict the ability of House Republicans to amend bills and broaden the debate. But, as the prospect of Republican control of the House has loomed larger, Mr. Gingrich has appeared ever more interested in taking the same old partisanship he used to decry and simply directing it toward his own ends. His comments suggest, for all his rhetorical flourishes, that the last thing he wants is an end to politics as usual.

—THE WASHINGTON POST

## Televising the Simpson Trial

Angry over an inaccurate news report about the O. J. Simpson murder case, Judge Lance Ito has suggested that he may not allow cameras at the trial. The law gives him broad power to forbid or control courtroom cameras, but it would be most unfortunate for justice if he let his anger decide the issue. This celebrated case, however much glitz has been attached to it, needs to be televised.

With or without camera coverage of the trial, the Simpson case is plagued by global attention and pretrial publicity that complicates the process of picking an impartial jury. But even the inaccurate and damaging news stories argue for camera coverage, not against.

Nor would denial of camera coverage have any effect on the behavior of news organizations or their sources outside the courtroom. Indeed, one of the virtues of courtroom photography is the literal accuracy of what the pictures and sound portray. Partisans and reporters may shout their interpretations from the courthouse steps, but once the trial is under way the audience will be able to see for itself what is happening.

Even in the pretrial proceedings the public, unable to attend, has learned much that the print medium cannot fully convey — about trial procedures, evidence, the role of a judge, lawyers and their arguments, and how they all interact. Another point: For all the friction among the law-

yers, neither side is seeking the blackout that Judge Ito is considering. The single video camera itself is unobtrusive. If there are potential jurors anxious to serve for the fame it may bring them, they will not achieve it from trial cameras, for no pictures of the jurors are allowed.

The very factors that raise the question of camera coverage compel the answer that the public must be allowed to witness the trial: the accused is famous and rich, the alleged crime atrocious. Can all parties get justice? The public needs assurance that justice is being done.

Judge Ito points to mail from citizens who have overdone on O. J. Simpson and want less, not more, television about him. The judge must realize that such sentiment will not satisfy the need for public justice publicly observed, and that a blackout would not stem the torrent of stories.

For all the judge's undoubted power, his understandable rage at some of these circumstances does not authorize him to act out of pique or withdraw court access because of the content of a news report. Banning television is unjust punishment for sloppy news coverage in the past and is no antidote at all to the breathless journalism that will surely come later. The public inevitably will judge the quality of justice in this case. A more satisfying public judgment will result if the public can see and hear what the jury sees and hears.

—THE NEW YORK TIMES

## Germany: More of the Old Kohl, Only Even Stodgier

By Josef Joffe

MUNICH — The boring campaign ended in a down-to-the-wire finale, and the status quo won.

Chancellor Helmut Kohl has not only beaten his Social Democratic rival Rudolf Scharping. He is also set to outdo his much admired mentor Konrad Adenauer, the founding father of the Federal Republic. Adenauer ran West Germany for 14 years. If his heir, with 12 years in power already, manages to avoid an untimely demise, he will be able to pack in up to 16 years — more than Franklin D. Roosevelt and almost as much as the "Iron Chancellor" Otto von Bismarck, who tallied 19 years.

In your average democracy, 12 years should have been enough. It would have been "time for a change," and all that. Hence the really interesting point about this election is not the slender margin of Mr. Kohl's victory but the fact itself.

Half a year ago, Mr. Scharping looked like a shoo-in. Mr. Kohl and his Christian Democrats looked hopeless, and so did his junior coalition partners, the Free Democrats under Foreign Minister Klaus Kinkel. So by international standards this was the greatest comeback since Richard Nixon's in 1968.

How did Mr. Kohl do it? It was not really he who turned the tide, but the two usual suspects in democratic politics: the strength of the economy and the weakness of his rival.

By early summer, the business cycle pointed up, up, up. It was a real upswing, not the kind of faltering one that failed to push George Bush past Bill Clinton in 1992. Starting in the summer, good news tumbled in almost daily, robbing Mr. Scharping of a sure-win issue by the fall. As growth, export and investment figures headed north, so did Mr. Kohl's popularity ratings. In the end, he had put 14 points between himself and Mr. Scharping.

The second usual suspect was the Social Democratic contender: young, inexperienced, a bit clumsy under the klieg lights, and not firmly in control of his party, whose heart beat faster left than right.

Also, he had a "Hillary problem." No, not his real-life wife but his partner in political marriage, the Greens, who returned to the Bundestag with 7.3 percent of the vote. With their anti-NATO, pro-pacifist posture and radical economic agenda — for example, 5 marks (\$3.3 dollars) for a liter of gas — the Greens were just a bit too much for your average

German burgher who likes his car and his cozy place in the Western alliance.

So Mr. Scharping won a few points, but not enough to unseat Mr. Kohl, who will now have to make do with a slender majority. That is good news for the rest of the world, which must have breathed a sigh of relief from Washington via Brussels to Bratislava.

Mr. Kohl is a dyed-in-the-wool Europeanist, perhaps the last in a long succession from Konrad Adenauer to Helmut Schmidt. He is also a good Atlanticist, always careful to give unto Paris without taking from Washington. He stands (more or less) for free trade, and wants (more or less) to open the West's doors to the East Europeans. And he is not gripped by obsessive angst when it comes to fielding the army for a peace mission here or there.

## More Voice for the East, and Surprises Ahead

By Jochen Thies

BERLIN — Helmut Kohl has emerged as the winner of the German elections, but his government already has the look of a lame duck.

Normally, a 10-vote majority in the Bundestag would be enough. Not this time. Mr. Kohl has to work with a junior partner that was left half-dead by the elections Sunday. The Free Democrats managed to return to Parliament with 6.9 percent of the vote, but there were strong warning signals. In three Länder elections Sunday, they remained under the 5 percent barrier. If this trend continues, as it seems certain to do, the coalition won't survive more than two years.

Rudolf Scharping, leader of the opposition Social Democratic Party, therefore can expect an invitation to form a "grand coalition" with the Christian Democrats — possibly with a successor to Mr. Kohl. Wolfgang Schäuble is a strong prospect. Only by riding the chancellor's coat-tails were the Christian Democrats able to get 41.5 percent of the vote — not bad, but too little to assure smooth sailing.

The big surprise for Western Germans was the showing of the Party of Democratic Socialism, successor party to the old Communist Party of East Germany, which won directly in four districts. This entitles them to enter Parliament with 30 seats. The PDS now appears sure to be a

permanent factor in German politics. This points to a leftward shift for Germany's political majority in years ahead.

The third partner in this game, along with the Social Democrats, will be the Greens, who staged a nationwide political comeback by obtaining 7.3 percent.

If Mr. Kohl manages to form a coalition government with the Free Democrats, his room for maneuver will not be great in domestic or foreign affairs.

The government will depend largely on the Social Democratic Party, which has a strong majority in the upper chamber of Parliament, the Bundesrat. The Social Democrats' approval will be needed for passage of most laws.

It is certainly possible that Mr. Kohl will try to create more political space by giving Germany a stronger profile abroad — moving to strengthen the Maastricht process in Europe and to contribute more strongly to UN peace missions.

In some ways, Sunday brought the end of the political system of the old Federal Republic of Germany. Although the political swing was not radical, we are witnessing the coming together of two quite different societies.

The East German element in the new

political system became clear for the first time. The PDS will in many ways represent the 20 percent of the Germans living in the East. The East has, for the first time, shown the will, and the power, to play a role in the country.

Three people had reason to be content, to varying degrees, with the results Sunday: Chancellor Kohl, whose political pull made possible a narrow victory for his party; Klaus Kinkel, who, instead of digging a grave for his Free Democrats' career, at least for now, and, of course, Rudolf Scharping.

Like Helmut Kohl in the 1970s, Mr. Scharping, who is 46, now comes to Bonn to lead the opposition in the Bundestag. His first aim will be to fend off his rivals in the SPD trioka, Oskar Lafontaine and Gerhard Schröder.

Mr. Kohl, for his part, knows that he has achieved everything a politician can dream of. He is the chancellor of German unity. And he believes in Europe and in a trans-Atlantic relationship with America. He has remarkable freedom to stay or to step down from office. Those who know him realize that Mr. Kohl, and no one else, will decide when he goes. It is certain to be a moment of general surprise.

The writer, foreign editor of Die Welt, contributed this to the Herald Tribune.

## Oil Revenue: 20 Million Iraqis Are Trapped Between the Battle Lines

By John K. Cooley

NICOSIA — Who really benefits if Iraq and its suffering people are made to continue paying the costs of the embargo on oil exports, and if a threat of U.S. military action is left hanging over their already badly damaged oil industry?

The embargo that followed Saddam Hussein's insane invasion of Kuwait created a huge bonanza for Saudi Arabia, Kuwait and big oil in general, as Fadhil Chalaby, executive director of the London-based Center for Global Energy Studies, noted in a clairvoyant lecture in July.

The embargo forbids Iraq to export more than a small amount of oil (Jordan gets some legally; more leaks out through Turkey and Iran on trucks or barges plying the Gulf, where traders buy it surreptitiously at Dubai).

The chief beneficiaries of the embargo have been the Saudis. Before the 1990 war, Saudi Arabia made shrewd investments to increase its production capacity, as it has done at opportune moments before. This enabled it to replace more than 75 percent of

the embargoed Iraqi oil sales. OPEC raised the Saudi export quota from 5.4 million barrels per day to 8.4 million, settling finally at around 8 million, for a 50 percent gain.

Mr. Chalaby calculates a cumulative gain for Saudi Arabia, as a result of the Iraqi embargo, of \$72 billion (its average yearly income from 1990 to 1993 was \$44 billion). Yet, Saudi Arabia has been experiencing serious financial difficulties. So the Saudis, as well as the Kuwaitis and other Gulf emirates, are desperately anxious to keep Iraq's oil exports off the market as long as possible.

Starting before the Iraqi embargo, the Saudi kingdom steadily drew down its external financial assets. It then turned to heavy borrowing from banks and financial institutions to finance growing budget deficits. So Saudi Arabia sees an early return of Iraq oil to the world market as a threat not only to its finances but to its national security.

The same is true, though to a

lesser extent, of Kuwait, Iran and Venezuela, oil experts say. All three benefited from the embargo by raising their market shares, at Iraq's expense.

Mr. Chalaby's London think tank puts cumulative Iraqi losses of oil income since Saddam's occupation of Kuwait in 1990 at \$70 billion or more — the value of Iraq's prewar oil exports at the prevailing market price.

In 1980, before its war with Iran, Iraq was producing nearly 4 million barrels per day. Then, with large-scale destruction of its export terminals, closing of export pipelines and damage to other installations, Iraqi output dropped to 1 million barrels. Its production level had climbed back to 3.5 million just before the disastrous Kuwait adventure. The shutdown that came with the embargo in 1991 has not only cut output; it has trimmed Iraq's capacity to make a comeback.

Saddam Hussein and those still loyal to him must have felt the breath of doom when Dick Che-

ney, the former U.S. defense secretary, remarked almost casually on U.S. television recently that Iraq's oil installations could be easily hit again.

The world's biggest oil companies and some governments have been gambling against an American air and missile strike that could paralyze Iraq's oil-dependent economy for years. Hoping for an end to the embargo, French, Italian, Japanese and even American oilmen beat a path to the Oil Ministry in Baghdad, seeking new concessions.

A detailed report by the Middle East Economic Survey, an authoritative Cyprus-based journal, outlined deals concluded in early September between Baghdad and Moscow that ensure a leading role for Russia in Iraq's oil industry, whenever that industry gets back on its feet. A long-term agreement is worth about \$10 billion.

Projects include development of Iraq's giant West Qurna oil field, construction of a power station at Yusufiyah and the laying of a 350-kilometer (210-mile) gas pipeline between Nasiriyah in

Iraq's south and Baghdad. At Iraq's request, there will also be new oil export and storage facilities, an upgrading of war-battered refineries, and construction of an iron and steel plant.

If Russian engineers are not frightened off by the prospect of U.S. bombs, they are ready to begin inspecting and assessing war-damaged oil projects.

Iraq, meantime, will continue pressing its traditional customers — American, French, Italian, Japanese — to help it lobby the United Nations Security Council to lift the embargo.

Decision-makers in the Middle East should ponder who would profit from a new conflict, fought certainly in part over oil interests. Is a strike against an obnoxious dictator worth further injury to a society of 20 million people, even if it ensures short-term bonanzas for that dictator's foes?

The writer, an ABC News correspondent and author based in Cyprus, specializes in Middle Eastern affairs. He contributed this comment to the Herald Tribune.

## South China Sea: Washington Needs to Hear About Beijing's Claims

By Philip Bowring

WASHINGTON — U.S. Defense Secretary William Perry, now in China, should have one question at the top of his Beijing agenda: What are China's claims regarding the South China Sea?

Coxey belief by the United States and some Asian neighbors that "engagement" with China will, by definition, enhance regional security sounds nice, but it is a notion based partly on a yawning information gap.

In the emerging world order, the South China Sea is becoming as strategically important as the Mediterranean. Yet no one, and that includes the U.S. government, knows the full nature and extent of China's claims.

Whatever its ultimate objectives, China's impetuousness on this matter has kept America on the sidelines and deflected the possibility of a common stand by other states against China's more extreme claims. It has also obfuscated the relationship between its claim to the tiny islets and reefs known as the Spratlys, its claims to oil under the sea floor and its claims to the sea itself.

Take the most fundamental issue. China long ago issued a map outlining its claim to the sea as "historic waters." A U-shaped area delineated by a dotted line gives it the whole sea up to a line ranging roughly 15 to 200 nautical miles from the coasts of the others. Yet the United States "doesn't believe a claim has been made." That, at least, was the answer of one official expert when asked why the United States has not included China's apparent claims in its extensive catalogue of "extreme" maritime claims.

But China has yet to define what it means by "historic waters," which has no basis in the

1982 UN Law of the Sea convention, signed by Beijing.

According to one Chinese authority, Pan Shiyong, speaking at a recent South China Sea conference in Washington, China does not regard the sea as "international waters." But what does it claim within that famous line?

The issue is crucial. While other nations claim some of the tiny islands and use them as baselines for claims to territorial waters and seabed, China has this additional "historic" claim to the waters at large.

China has spelled out its land and territorial water claims. Its national law on the subject goes beyond what is permissible under the Law of the Sea, claiming the right to control passage of warships through its territorial sea and contiguous waters.

At least the land claims can be addressed in the same terms as applied by other countries. Their application, if not sovereignty itself, can be subjected to the Law of the Sea. But the maritime claim is of a different order.

This question could involve yet another China finding itself in conflict with China — Indonesia. Indonesia has no claims to the Spratlys, but the area delineated by the Chinese line includes the huge gas field discovered by Exxon off Indonesia's Natuna Islands. This is one of the largest hydrocarbon finds so far in the South China Sea. It will cost \$20 billion to develop.

According to Pan Shiyong, the line, roughly equidistant between China's Spratly claims and the coasts of the other nations, could be regarded with "a certain flexibility." However, the lack of clar-

ity leaves open the possibility that China will at some point seek to make a claim on Indonesian as well as Malaysian, Philippine and Vietnamese exploitation of oil and gas within the line.

China awarded oil rights in a large block that lies off southern Vietnam and near Malaysian waters to Crestone, a U.S. company, on the basis of proximity to one Spratly island.

But it has criticized Vietnamese exploitation of a field that lies much closer to Vietnam than to any Spratly, but which is within the Chinese line boundary.

The United States, for its part, lacks a policy other than to say that it does not take sides in disputes over sovereignty. It is thus impossible to determine China's long-term intent.

It is to maneuver for position before agreeing to a partition of the sea, linked to joint development of resources? Or is it to play for time, discouraging others, particularly Vietnam, from exploiting oil off their coasts, while building up its naval forces and watching the U.S. presence decline?

Through the ASEAN Regional Forum, the countries of the Association of South East Asian Nations have focused attention on the issue. But ASEAN is divided on what to do. Thailand has little direct interest. Some other members do not want to give the impression of ganging up on China, which insists on dealing with the issues bilaterally.

Malaysia is trying to engage China in dialogue rather than take a common stand with Vietnam and the Philippines (although it is increasing military contacts with those two). Chances

of a joint ASEAN stand might be strengthened if Vietnam joined the group, as it wants to do.

Amid all this confusion, America's friends in the region are unclear what role they want the United States to play. They want a continued U.S. presence, to prevent anyone else from establishing hegemony and to deter adventurism. Yet they are equivocal about a direct U.S. role, either because they doubt America's commitment, fear Chinese wrath or harbor resentment against outside powers enforcing local law.

Thus, if the U.S. 7th Fleet intends to stay in the South China Sea into the next century, the

United States needs clearer objectives. But first the United States will need to press Beijing to clarify its claims. Washington cannot ignore the question. In addition to U.S. commitments to ensure freedom of navigation in the region — in possible conflict with apparent Chinese policies — serious problems could arise from U.S. oil companies drilling in disputed waters.

Unless the United States is prepared to ask hard questions about Chinese claims, it cannot answer the central question: What role, if any, does the 7th Fleet have in the South China Sea?

International Herald Tribune.

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1894: Socialists Unite

PARIS — [The Herald says in an editorial:] The Socialist character of the latest Belgian elections has been made clear. The French Socialist Deputies have at once gone to Belgium to place themselves at the disposal of their Belgian confrères, and the French, Belgian, German, Austrian and Italian Socialist Deputies intend to create a sort of international parliament. They will bring in the same bills in every country, and they hope thus to prove to the world that the demands of the working classes are the same everywhere. People had some suspicion of this already.

### 1919: Autos and Fashion

PARIS — Observers of fashion passed an interesting afternoon yesterday [Oct. 17] at the Fifteenth Automobile Salon. A mannequin from one of the rue de la

Paix shops gave the whole secret away in the course of a visit to some of the stands. "Are you looking for a particular make of car, Madame?" inquired a solicitous salesman. "Thank you, I'm not thinking of makes or of cars either," came the reply. "I'm studying the tints of the cushions. I've been sent here to find what colors are to prevail in gowns this winter."

### 1944: More War Funds

WASHINGTON — [From our New York edition:] President Roosevelt appealed tonight [Oct. 17] for greater-than-ever contributions to community war funds as a token of "democracy at its best" to show there is no let-down on the day of the fighting men's return home. They will shake war fund donors by the hand and say "Thanks for helping, friend."



International Herald Tribune

ESTABLISHED 1887

KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER

Co-Chairmen

RICHARD McCLEAN, Publisher & Chief Executive

JOHN VINOCUR, Executive Editor & Vice President

• WALTER WELLS, News Editor • SAMUEL ABE, KATHERINE KNORR and

CHARLES MITCHELLMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor

• ROBERT J. DONAHUE, Editor of the Editorial Pages • JONATHAN GAGE, Business and Finance Editor

• RENÉ BONDY, Deputy Publisher • JAMES McLEOD, Advertising Director

• JUANITA L. CASPARI, International Development Director • ROBERT FARRÉ, Circulation Director, Europe

Directeur de la Publication: Richard D. Simmons

Directeur Adjoint de la Publication: Katharine P. Darrow

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.

Tel.: (1) 46.37.93.00. Fax: Cmc, 46.37.06.51; Adv., 46.37.52.12. Internet: IHT@eurokjm.je

Editor for Asia: Michael Richardson, 5 Canberran Rd., Singapore 0511. Tel. (65) 472-7788. Fax: (65) 274-2334

Mng. Dir. Asia: Rolf D. Knappe, 50 Gloucester Rd., Hong Kong, Tel. 852-9222-1188. Fax: 852-9222-1190

Gen. Mgr. Germany: T. Schuler, Friedrichstr. 13, 10117 Berlin, Tel. (49) 30 67 53. Fax: (49) 30 73 10

Pres. U.S.: Michael Quinn, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 732-3888. Fax: (212) 732-6785

U.K. Advertising Office: 65 Long Acre, London WC2E 3AF, Tel. (071) 836-4802. Fax: (071) 340-2354

S.A. capital of 1,200,000 F. RCS Nanterre 0 733021/2. Commission Paritaire No. 61337

© 1994, International Herald Tribune. All rights reserved. ISSN: 0294-8052.



## OPINION

There's Just One Way Ahead  
For Israel and Palestinians

By Anthony Lewis

BOSTON — "I don't remember an incident when we were all so deeply involved," an Israeli friend said. "People felt that something happened in their own family."

She was talking about the kidnapping of an Israeli soldier, Corporal Nachshon Waxman, by Hamas terrorists — and his murder by them as an Israeli force unsuccessfully stormed the West Bank house where he was being held. All of Israel had seen the videotape made by Hamas, with the young man pleading for his life, and all mourned his death.

The trauma of the kidnapping raised hard questions for the future of the effort to construct an Israeli-

bin's rough (and, as it turned out, misplaced) demand to find the prisoner in Gaza. He arrested 200 Hamas members and tried to help in an abortive attempt to negotiate with Hamas political leaders.

But those very gestures show why the kidnapping left worse political problems for Mr. Arafat. For what he did led to his being reviled by Hamas as a tool of Israel.

In Palestinian political terms, in fact, Hamas won. Its supporters marched in Gaza demanding that Mr. Arafat release those arrested. In the still occupied sections of the West Bank, too, some felt that Hamas gained support.

Hamas is pressing hard, but  
Arafat has no alternative to  
pursuing peace with Israel.

Palestinian peace. Despite the emotions in Israel, the problems are far harder on the Palestinian side.

Prime Minister Yitzhak Rabin handled the tensions of the kidnapping with extraordinary political skill. He made mistakes, but understandable ones that should not be second-guessed. Most significantly, he acted in a way that left the peace process intact in terms of Israeli politics and public opinion.

Hamas smuggled the Waxman videotape into Gaza and gave it to the press there. Mr. Rabin therefore reached the wrong conclusion that Corporal Waxman was being held somewhere in the Gaza Strip. He insisted that Yasser Arafat, who has authority in Gaza under the first phase of the peace process, was responsible for finding the prisoner.

The episode, and Mr. Rabin's handling of it, had another, psychological effect. It reinforced the shift in Israeli thinking about the PLO that began when Mr. Rabin shook Mr. Arafat's hand at the White House a year ago: the shift toward seeing the PLO as the best hope of peace with the Palestinians, with Hamas as the enemy.

Mr. Arafat acted in a way that furthest that shift in Israeli opinion. He did not bristle at Mr. Ra-

bin's rough (and, as it turned out, misplaced) demand to find the prisoner in Gaza. He arrested 200 Hamas members and tried to help in an abortive attempt to negotiate with Hamas political leaders.

But those very gestures show why the kidnapping left worse political problems for Mr. Arafat. For what he did led to his being reviled by Hamas as a tool of Israel.

In Palestinian political terms, in fact, Hamas won. Its supporters marched in Gaza demanding that Mr. Arafat release those arrested. In the still occupied sections of the West Bank, too, some felt that Hamas gained support.

It is worse because Mr. Arafat's headquarters is in Gaza, a Hamas stronghold. To rebuild that desperately impoverished place and thereby gain political legitimacy, he needs the promised aid from outside. That requires cooperation from Israel, which demands suppression of Hamas. But if he moves in that direction, he loses legitimacy with many Palestinians.

It's almost a no-win situation for him, Yaron Ezrahi, an Israeli political theorist now in the United States, said. "The best we can expect is wavering progress."

But then Mr. Ezrahi added a comment that other Israelis made when I asked about the effects of the kidnapping: "I am convinced that the peace process will not be stopped."

Perhaps there is an element of wishful thinking in that conclusion. But with all the setbacks — the Hebron massacre by an Israeli extremist, Palestinian terror — it remains a fact that there is no way to security and a normal life for either Israelis or Palestinians but peace between them.

The New York Times

## INHERITANCE



## LETTERS TO THE EDITOR

## France and the Gulf

Regarding "Now Follow Up With a Drive to Bring Down Saddam" (Opinion, Oct. 17):

In his article, Mr. Hoagland asserts that I accused the Americans of using the Gulf crisis for political ends, and he maintains that I said that Saddam Hussein did nothing wrong by moving troops around in his own country.

Let us stick to the facts. I never accused the United States, a friendly country with which I have always had a relationship of trust, of any sort of manipulation. In response to a question, I merely noted that in the United States, as in any other democracy, domestic and foreign policies are interdependent. This was a simple, commonsense observation that applies just as well to France.

I do not contest Mr. Hoagland's right to suspect dark ulterior mo-

tives, which, however, I never had. But I defy him to cite any declaration whatsoever on my part that could in any sense be construed as justification for Baghdad's recent initiatives. To the contrary, I have continuously condemned the movements of Iraqi troops, calling them a threat to the security of Kuwait and of peace in the Gulf.

But words are not always enough. Thus, in my capacity as defense minister and acting in pursuance of the policy decided on by the entire French executive, I sent a frigate to waters off the emirate, which was later joined by a second such vessel; moreover, I placed on alert those military forces that might have been needed to come to Kuwait's aid had the crisis worsened.

On a personal level, allow me to point out that when I was in the opposition, I gave my most energetic support to the need for military involvement by my country in the

Gulf alongside the United States, at a time when this attitude was hardly widespread. I am therefore most sensitive to any deformation of my positions — which have not changed, and which continue to be marked by solidarity with our allies.

FRANÇOIS LEOTARD,  
Defense Minister of France.

## More of This for Bosnia

Regarding "Following the Europeans to Dishonor" (Opinion, Sept. 30) by William Safire:

Calling a spade a spade is what this piece is all about. The international community needs more of the same, and not the shamelessly disguised rhetoric of Lieutenant General Sir Michael Rose, Lord Owen and the so-called contact group on Bosnia.

P. DESMOND,  
Zurich.

## Hurt and Heathenish in Germany

By Rick Atkinson

BERLIN — The Herr Professor Doktor looked at me as though I had just demanded the keys to the hospital pharmacy. I had simply asked to go home.

"Why do you want to leave?" he asked in German. "You've suffered a serious injury. It's my opinion that you are not ready to be discharged."

## MEANWHILE

yet." He gestured at the toes-to-hip cast encasing my right leg, the consequence of surgery to repair the Achilles tendon I'd snapped in a Saturday morning soccer game. "My experience," the Herr Professor Doktor said, "is that patients with injuries like this should remain in the hospital for 12 days. You've only been here four days."

He methodically revisited his treatment plan: 12 days in a hospital bed, then a walking cast for the hip for two weeks, then another cast, for the knee for another two weeks, then physical therapy. Any attempt to short-cut this process could be catastrophic, he warned.

I marshaled my rebuttal. I knew it would be an uphill battle on several counts. First, no one ever confuses me with Goethe when I speak German. And second, I was arguing as layman to physician. Moreover, I was arguing in contradiction of one of the most revered figures in German society, the Herr Professor Doktor. In a culture that yields easily to authority, the medical chief of a

major hospital rates pretty high on the demigod scale.

Dr. Ulrich Weber was not only the head of orthopedic surgery at Oskar-Helene-Heim Hospital, but also a professor of medicine at Berlin's Free University. Tall, direct and — as my first hospital roommate had put it — "a bit authoritarian" — he was also competent, diligent and good-humored.

Finally, my petition for early discharge was very un-German. When Germans fall ill — or even think they might — there is none of this last-me-to-the-most-fortitude. They head for bed. The average hospital stay in Germany is 17 days, compared with 9 days in the United States. The typical German worker takes 19 days of sick leave annually, vs. 7 days for the average American; Germans on average visit the doctor 11 times a year.

Nevertheless, I pleaded my case. I was feeling fine. At home I would be able to work more easily — in bed with my leg propped up, of course — without the many distractions in a busy hospital. My doctor-wife would be there to help care for me; she was no Frau Professor Doktor of orthopedics, absolutely not, but she knew medicine and could play the enforcer to keep me immobile.

"I promise I'll stay in bed," I assured the doctor. "I can..." He cut me short. "Everyone promises to stay in bed," he said. "My experience is they have good intentions but then there's a book they need or something that has to be done, and soon they're moving around."

He was edging toward the door, trailed by the clutch of interns and nurses accompanying him on his Wednesday morning rounds. The battle seemed lost.

"There's one more thing," I added, taking a last shot. "This is expensive. It's costing me money."

Dr. Weber wheeled back toward me. "How's that?"

"Because I'm an American insured through my company, I have to pay part of the bill for room and treatment."

This hospital room alone was more than 400 Deutsche marks a day (\$260) and I figured a 12-day stay would cost me more than \$600 out-of-pocket, exclusive of treatment charges. In truth, as usual, I wasn't altogether certain how much my insurance would cover.

The doctor's countenance changed completely. He gazed upon me like a missionary who realizes that the soul of the heathen before him is forever bent — and perhaps not worth saving anyway.

"Well, this is altogether a different

matter," he said. "O.K., we'll arrange for you to go home tomorrow."

"The American health care system is different from the German," I said, trying not to sound too defensive. The interns and nurses seemed to be avoiding my eyes, as if the issue were slightly embarrassing.

"Yes," Dr. Weber agreed. "It's too bad Mrs. Clinton was not successful."

Were I a German, chances are I would never see a hospital bill. Most Germans are covered by "sickness funds," to which they contribute through payroll deductions. The average contribution — evenly divided between employee and employer — is 13.4 percent of gross salary.

In return, Germans get access to one of the most sophisticated medical systems in the world, with elaborate benefits and the freedom to choose their doctors. Virtually everyone is covered.

The German system has drawbacks, to be sure. Doctors are paid on a fee-for-service basis, so there is an incentive to over-treat. Patients have little reason to economize or moderate their use of the system. Like the United States, Germany is struggling to contain spiraling costs.

But for a German, good medical treatment without fretting over costs is a birthright.

Before Dr. Weber turned again for the door, he noted that American reformers have periodically studied the German system as a possible model. "We certainly have problems with our system," he added, "but my estimation is that on the whole it serves the patients very well."

He wrote my discharge order. I had won, but victory felt a bit hollow — not because I regretted avoiding a dozen days in an orthopedic ward, but because in this minor moment of cultural comparison it was difficult not to feel like a runner-up.

What upset me, as an American, was the tacit acknowledgment of my country's collective failure to solve the perplexing structural problems in our health care system. It's rare in Berlin — a city grateful for being brought back from the dead by the United States — to feel less than 10 feet tall as an American. But I couldn't help feeling slightly diminished by this episode.

Maybe it's just the cast.

The Washington Post.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

## BOOKS

IN THE LAKE OF THE  
WOODS

By Tim O'Brien. 306 pages.  
\$21.95. Houghton Mifflin/Seymour Lawrence.

Reviewed by  
Michiko Kakutani

IN summary, Tim O'Brien's new novel, "In the Lake of the Woods," sounds like a fast-paced thriller, the sort of book that might easily be made into a movie starring, say, Harrison Ford and Michelle Pfeiffer.

The story, on the surface, is simple. John Wade, a rising political star, decides to run for the Senate in the course of the campaign, serious allegations are made about Wade's past, and he loses in a landslide; several days

## WHAT THEY'RE READING

• Anouk Aimée, the actress, is reading "Where the Jackals Howl" by Amos Oz.

This is a collection of short stories in which the lives of individual Israelis are set against the background of community life in a kibbutz. I can tell after reading two pages that it's his work. In the same way I can tell whether Fellini, Visconti or Renoir has directed a film I am watching."

(Margaret Kemp, IHT)



later, he and his beautiful wife, Kathy, take a vacation in the remote Minnesota back country; after an argument, Kathy disappears and when an extensive search fails to turn up her body, the police begin to focus their suspicions on Wade.

As related by O'Brien, however, there is nothing simple or straightforward about this story. Rather, he tries to turn this thrillerlike premise into a philosophical mystery, a Conradian journey into the heart of darkness and the nature of evil.

The results are a mixed lot. At times, "Lake of the Woods" glows with the fierce, radiant magic of O'Brien's remarkable Vietnam fiction, "Going After Cacciato" (1978) and "The Things They Carried" (1990); more often, it devolves into a painful collection of portentous clichés reminiscent of his lugubrious 1985 novel, "The Nuclear Age."

Like "The Things They Carried," "Lake of the Woods" has a willfully complicated narrative strategy that calls into question the very process of storytelling even as it pulls the reader into its characters' lives.

In the case of "Lake of the Woods," a not-so-omniscient narrator, who bears more than a passing resemblance to O'Brien, relates the story of John and Kathy Wade, piecing together the jigsaw puzzle of their lives as best he can. His knowledge — and hence, the reader's knowledge — is highly provisional. This narrator uses quotations culled from philosophy, psychology and literature to try to illuminate John Wade's problems, and he also speculates freely about what may or may not have happened in his life.

Gradually, a portrait of Wade emerges. We're told that Wade was a fat, unhappy boy, haunted by the suicide of his alcoholic father. We're told that he became an amateur magician, and that magic not only gave him the illusion of control but also endowed him with a desire to manipulate reality. We're told that Wade earned the nickname "Sorcerer" while serving in Vietnam and that he seemed to work magic tricks in his subsequent career as a politician, charming voters while nimbly sidestepping questions about his past.

That past, however, is abruptly exposed by Wade's opponent in a Minnesota Senate race, who reveals that Wade was involved in the My Lai massacre in Vietnam. It is a revelation that shatters Wade's chances of election. It is also a revelation that shatters Wade's carefully constructed sense of self.

Having spent years trying to erase all evidence of his complicity, having spent decades denying his involvement in the massacre to himself, Wade is suddenly confronted with the truth of what he did back in 1968. In doing so, he is forced to grapple with what he is capable of and who he really is.

Kathy, too, finds the My Lai revelations devastating, for she realizes that she does not know the man she has been married to for so many years.

When it comes to describing John Wade's descent into actual madness, O'Brien stumbles badly, making his hero utter inanities like "Kill Jesus" over and over again. The daily texture of his life is also poorly evoked. The reader never for a moment believes that Wade has actually participated in politics, much less made a run for the Senate.

To make matters worse, O'Brien's narrative pyrotechnics never pay off the way they did in "The Things They Carried." They ultimately feel gratuitous and mannered, much like the self-important comments his narrator likes to indulge in.

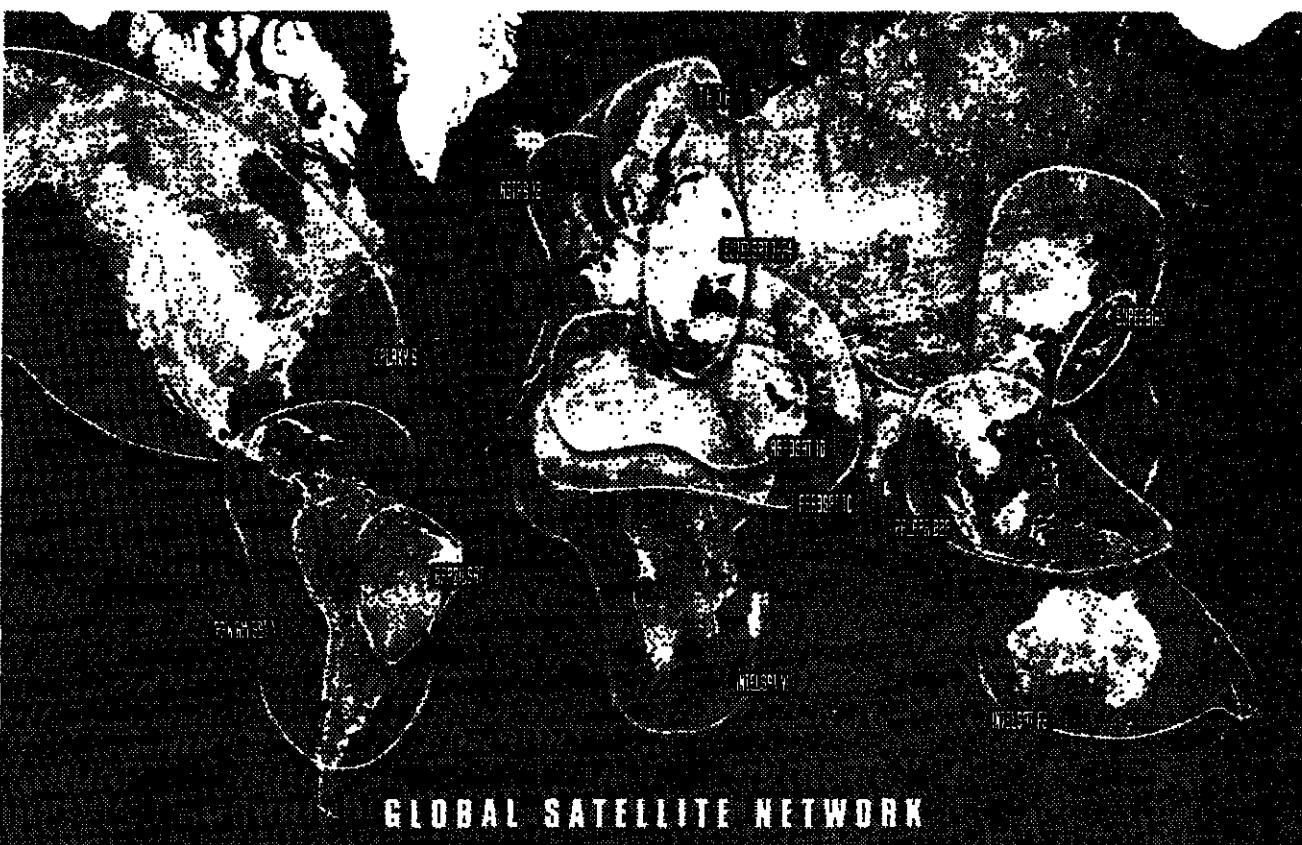
"Can we believe that he was not a monster but a man," this narrator says of John Wade at the end of the book, "That he was innocent of everything except his life?"

Such heavy-handed passages paper over the visceral drama of Wade's story, and they ultimately sap this novel of life.

Michiko Kakutani is on the staff of The New York Times.

Real Estate  
Marketplace

Every Friday  
Contact  
Fred Roman  
Tel.: (33 1)  
46 37 93 91  
46 37 93 92  
46 37 93 70  
or your nearest  
IHT office  
or representative



GLOBAL SATELLITE NETWORK

• CNN BUREAUS

Why News  
Travels Fast

With 29 bureaus tracking the news  
plus satellite coverage that spans the globe,  
CNN sets the standard for immediate, credible  
and comprehensive reporting around the world.

**CNN**  
INTERNATIONAL

For information regarding advertising opportunities, please contact:

Kay Delaney or in New York 1-212-852-6956  
Eric Clemenceau in Paris 33-1-44-95-15-80

Nan Richards in London 44-71-290-8000  
Lyne Kraselsky in Hong Kong 852-826-4325  
Nobi Hashimoto in Tokyo 81-3-5466-1561



## Chanel's Monte Carlo: Lagerfeld Scores Again

By Suzy Menkes  
International Herald Tribune

**P**ARIS — Just when you thought there was no erotic zone left to explore, Chanel played an air on a G-string.

On the backcloth was a vista of Monte Carlo beach — all sparkling sea and pink washed villa. And there on the runway were skirts flying open like a sail in the breeze to reveal rhinestone bikinis.

Chanel's show was fast, funky, flirtatious and funny. It made a dynamic ending to a lively Paris season. It also contained, amid the towering platform shoes with needle heels and uplifting corset belts, plenty of ideas and light-hearted wearable clothes.

So Karl Lagerfeld pulled it off again. Literally in the case of Claudia Schiffer who bent her runway rule of no bathing suits by flashing her itty-bitsy-teeny-weeny bikini from under a fluffy towel robe.

"It was an ode to Monte Carlo," Lagerfeld said backstage.

referring to the cliff-top villa he calls home (well, one of them). He managed to capture in his spring/summer collection both the over-scale glitz and glamour of the Côte d'Azur playground — and its blue-sky freshness.

So although the glitter paillettes fringing jackets, the flung-on feather boas and the hottest

same about Romeo Gigli's poetic clothes, inspired by Africa.

Gigli took his African theme both literally — with bustiers made out of beads, hoop bangles and beaded-up hairstyles like tribal warriors. And he used Africa as a deep inspiration for prints that were Masai symbols or cracked batik patterns in green, indigo blue and madder red colors.

The best of the clothes were the slim jackets in an exceptional range of fabrics, sometimes with buttons decorating the pockets, or a rattle of beads at the hem. Sarong skirts, ballooning trousers and loincloths seemed too literal — costumes copied from a book. Yet Gigli's sincerity is evident in the designs. His veneration of native fabrics and his determination to preserve them, reflect the green thoughts of the ecologically aware. The fashion world is big enough to absorb any designer with a strong point of view.

**T**HE shows close Tuesday, with designers mainly from Asia. Léonard's line is a hit in the Pacific area because of the colorful prints and the ban-tamweight fabrics. Prints of full-blown roses starred in Léonard's first show at the Carrousel du Louvre Monday. It started with a gaudy disco theme but then developed more sophisticated ideas, including graphic prints in gray or denim blue, and animal patterns on a slinky chiffon-jersey dress.

Is the show still the thing? Barneys' Gene Pressman is one of many professionals who question the time spent on a nine-day season, when shows run behind schedule and often major in showbiz. Oscar de la Renta presented his Balmain show Monday in the showroom, the better to display the fine workmanship of the elegant clothes: jackets in rough-weave cream fabrics; flowing bougainvillea crepe dresses and others in fondant pink, fluttering in chiffon with marbled markings. Evening was the focus of the line because, de la Renta says, that is where the upscale client spends the money.

The two great fashion moments of the season were the high voltage glamour at John Galiano, when the show was staged against a background of vintage cars and Silver Screen style; and Jean-Paul Gaultier's show among gaudily decorated carousels and dusty prancing horses in a fairground museum.

Both shows had a nostalgia for the feminine allure that was thrown out when the pantsuit strode in.

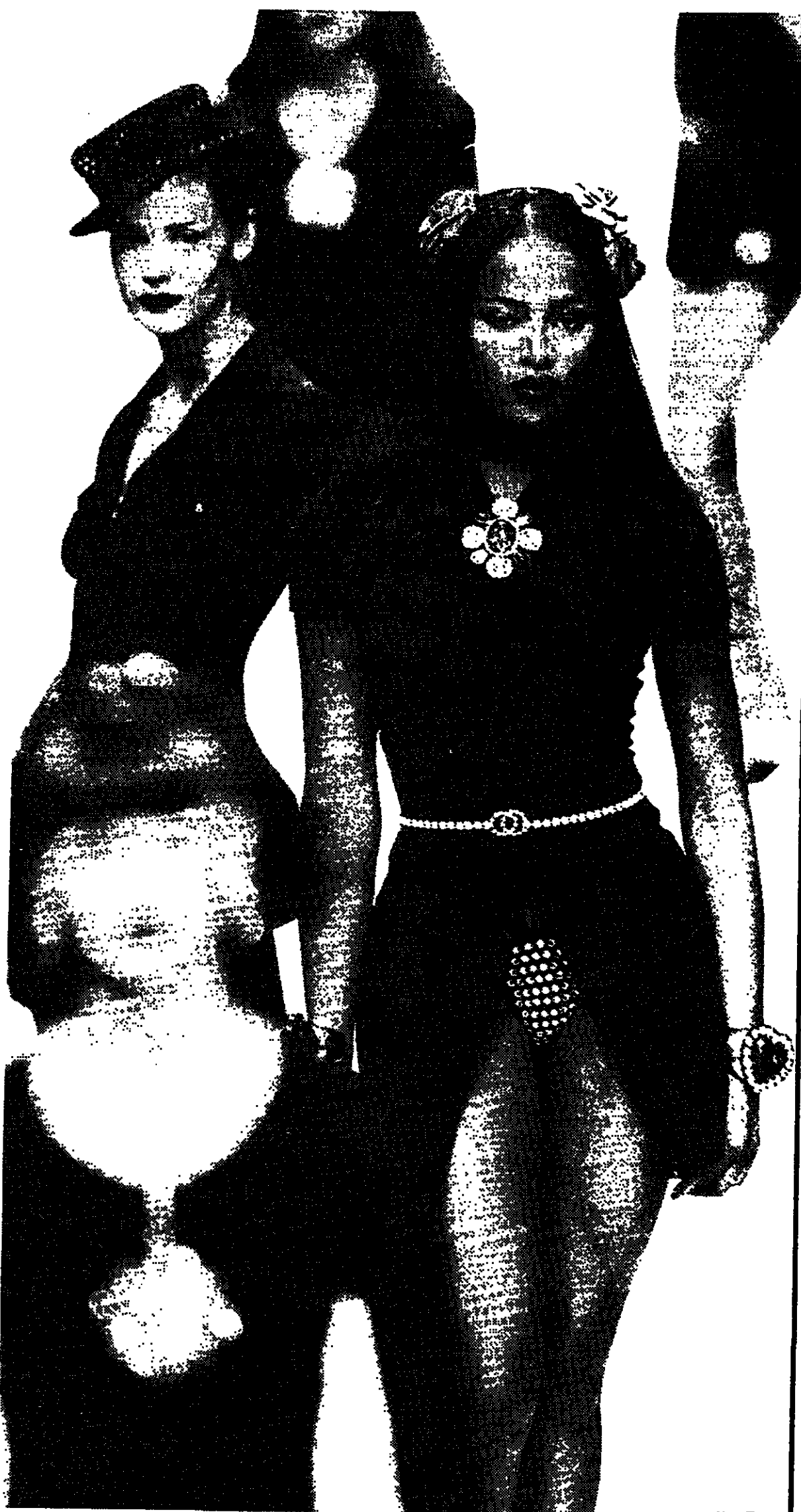
The new focus on the dress, in light fabrics and sweet colors, is pitched to a customer born to overalls and jeans. The message from the European shows was the fun of dressing up and the joy of fashion.

**L**AGERFELD is not above picking up ideas from others. The shoes that he claimed were from André Perugia in 1943, looked suspiciously like Vivienne Westwood 1993. A flash of G-string also appeared on Westwood's runway last season. But it is Lagerfeld's genius with Chanel to keep the line to the beat of modern fashion — and to make it sing.

"Chanel! It's always dotting the 'i' of fashion — it sets the mood and the message," said Joan Kaner, fashion director of Neiman-Marcus. Like all retailers, she praised a lively season that majored on glamour, color and fashion joie de vivre. Burton Tansky, Neiman's chairman, said he believed that the customer who "has no qualms about rejecting what she does not like" will like what she sees next summer.

"The customers are ready for it," said Bloomingdale's Kalman Rottenstein of the "young, peppy" Chanel as an ending to a "powerful week."

"It will look great in our windows on Fifth Avenue," said Dawn Mello, president of Bergdorf Goodman. She had felt the



Lagerfeld's glitter G-string under a split dress for Chanel; top right, Jean-Paul Gaultier's shiny jacket with flower-patterned pants; John Galiano's tightly fitted suit.

### EDUCATION DIRECTORY

#### FRANCE

#### INTERNATIONAL INSTITUTE

**MAXIM'S**  
OF PARIS

BACHELOR OF SCIENCE  
IN INTERNATIONAL HOTEL  
MANAGEMENT

MASTER IN INTERNATIONAL HOTEL  
MANAGEMENT

For an International Management Career in  
Hotel and Tourism Industry.

Practice and work at our Famed Maxims Institute.  
International Staff.

Language of teaching: English.

Theoretical and practical training.

Full Time / Part Time

Classes begin: October 94 / January 95 / April 95.

#### INFORMATION

CONTACT: VÉRONIQUE SORNIÈS  
Tel: (1) 45 26 59 28 - Fax: (1) 45 26 59 29  
INTERNATIONAL INSTITUTE MAXIMS OF PARIS  
52, rue St Lazare - 75009 PARIS - FRANCE

#### U.S.A.

#### ANNOUNCING

Pace University of New York, USA is pleased to announce that we are participating in the Institute of International Education's US University Fairs in the following cities. Please plan to join us.

Hong Kong

Saturday, October 15th

1:00 - 5:00pm

Hong Kong Convention and

Exhibition Center,

Convention Hall, 1 Harbour Road,

Wanchai

Indonesia

Monday, October 17th

2:00 - 6:00pm

Mangga Wazabakti, Jl.

Gatot Subroto, Senayan,

Jakarta, Selatan

Thailand

Saturday, October 22nd

2:00 - 6:00pm

Queen Sirikit National

Convention Center,

New Rajapitsak Road,

Klongtoey, Bangkok

Taiwan

Saturday, October 22nd

9:30 - 5:00pm

Sunday, October 23rd

9:00 - 5:00pm

National Central Library,

Main Exhibition Hall,

20 Chungshan South Road,

Taipei

or

Tuesday, October 25th

10:00 - 6:00pm

Wednesday, October 26th

2:00 - 8:00pm

Kaohsiung Chiang Kai-Shek

Cultural Center,

67 Wu-Fu Road,

Kaohsiung

**PACE**  
UNIVERSITY

For more information, call (212) 346-1050 or write  
Office of Undergraduate Admission, 1 Pace Plaza, NY 10038

#### U.S.A.

#### PROFESSIONAL DEGREES • FREE CATALOG & VIDEO

**Academy of Art College**

COMMUNITY OUTREACH DEPARTMENT  
79 NEW MONTGOMERY ST., SAN FRANCISCO, CA 94105 U.S.A.  
415-374-7200 FAX: 415-546-9737

#### INTERNATIONAL



**University of Pittsburgh**

#### ENGLISH AS AN INTERNATIONAL LANGUAGE ON SEMESTER AT SEA®

Enhance your English skills while traveling around the world on the Institute for Shipboard Education's Semester at Sea Program.

This certificate program, sponsored by the University of Pittsburgh, will enable you to visit ten countries while studying English, together with over 400 students who are studying global issues. Our ship, the S.S. Universe, will provide

- the opportunity to experience a unique American college campus,
- enable you to interact with students from across the United States,
- and travel around the world.

This program will be offered from Sep. 14, 1995 to Dec. 23, 1995. For enrollment information in the English Language or Semester at Sea programs write to: ISE, University of Pittsburgh, 811 WPU,

Pittsburgh, PA 15260  
Phone: 412-648-7490 - Fax: 412-648-2298  
Internet: Shipboard@sis.ise.pitt.edu.

#### U.S.A.

#### High School At Home While Away From Home?

The answer is yes! Those of high school age, who must of necessity be away from their home base school, can finish high school by "Home Study". This is a fully accredited program. Diploma Awarded. Air Mail Delivery Available. Write today for complete details.

Founded 1897

**American School, Dept. 733,**  
850 E. 58th St. Chicago, IL 60637

Name \_\_\_\_\_  
Address \_\_\_\_\_  
City/State/Zip \_\_\_\_\_

#### Full Range of Degree Programs:

Business—AACSB accreditation; Engineering—ABET accreditation;

Bachelor's, Master's, M.B.A., M.P.A., Ph.D.

• Affordable Tuition • Safe Location—residential New Orleans

by Lake Pontchartrain • 75 minutes from French Quarter

For more information, contact:

Admissions Office

103 Administration Building

University of New Orleans

New Orleans, LA 70148

Tel: 504/288-6595 FAX: 504/288-6522 USA

Member Louisiana State University System • Fully accredited by Southern Association of Colleges & Schools

**University of  
New Orleans**

SHAPING OUR FUTURE

**FREE  
VIDEO  
DEGREES**  
BATES MS/BA PH.D. PH.D.  
BS & Ph.D. Agg. Forestry  
Computer Sci., Engineering  
Health Sci. Mgt. Theology  
Criminal Justice Mgt. Crad.  
Teacher Prep. & phd others  
(504) 624-2977  
LA SALLE  
UNIVERSITY

#### EARN YOUR COLLEGE DEGREE AT HOME

• B.S. & M.B.A. in Business

• B.S. in Environmental Studies

• M.S. in Environmental

Management

• Approved for tuition

reimbursement by major companies.

For free catalogue call 205-252-4483.

**CHADWICK**  
UNIVERSITY  
ACCELERATED  
DEGREE PROGRAM  
Fast Track Degree

#### ATTENTION EFL TEACHERS

THE IHT

"NEWSPAPERS IN THE CLASSROOM"  
MATERIALS ARE NOW AVAILABLE.

For more information please contact:

MARY LOUISE STOTT • EDUCATIONAL SERVICES DEPARTMENT

**Herald Tribune**

181 AVENUE CHARLES-DE-GAULLE 92521 NEUILLY CEDEX FRANCE OR FAX: (33-1) 46 37 06 51







## Paris Museum Seeks Heirs of Art Booty

By Barry James  
International Herald Tribune

PARIS — In a haunting reminder of the Nazi pillage of French art works and the looting of thousands of Jewish homes, a score of paintings and drawings went on display at the Musée d'Orsay on Monday in the hope of tracing their owners or their heirs.

Seized as war booty, the 21 works were among 28 returned by Germany earlier this year.

The French government returned seven paintings to two unidentified families recently, including a Gauguin and a Corot, which one man remembered hanging in his room as a child.

"He was very moved to get it back," said François Renouard of the French Foreign Ministry, who has directed negotiations with Germany and Russia for the return of stolen art works and archives. Those left to be claimed include a splendid Monet landscape of snow in the setting sun, a Renoir portrait of his son, a Delacroix portrait of a young man, two drawings by Seurat, a pastel by Pissarro, a drawing by Manet, a watercolor by Cézanne and a landscape by Théodore Rousseau.

In all likelihood, the works belonged to Jewish families sent to death camps during the war and may never be

claimed. The Musée d'Orsay will keep them on display until Dec. 14, but Mr. Renouard said there was no cutoff date for claims.

A German officer entrusted the works to a soldier with orders to take them to Germany and wait for his return.

But the officer never reappeared. The unidentified soldier hung on to the paintings for many years, and in 1972 confided their presence to the Archbishop of Magdeburg under the secret of the confessional.

France negotiated unsuccessfully for the return of the paintings, along with other cultural goods, from 1974 to 1988. With the reunification of Germany, negotiations were resumed. Chancellor Helmut Kohl symbolically returned the Monet landscape to President François Mitterrand at a meeting in May.

In the 15 years after the end of the war, West Germany returned more than 60,000 art works to France and paid reparations for others.

Thousands more works taken to East Germany during the war were seized by the Russians. France still is trying to obtain the return of state and private archives from Moscow. German troops seized files filling 7½ kilometers (4.5 miles) of shelves. Since the fall of Communism, the Russians have sent back

eight truckloads, about half the total, Mr. Renouard said.

In a recent book called "The Rape of Europe," the art historian Lynn H. Nicholas details the staggering extent of Nazi looting throughout the occupied countries. In France, the Germans raided 71,619 homes and shipped more than a million cubic meters of goods to the fatherland in more than 29,000 railroad cars.

Truckload after truckload of paintings and objets d'art confiscated from Jewish families were dumped at the Jeu de Paume, just across the river from what is now the Orsay museum. Senior Nazi officials, including Hermann Göring, took the choicest objects.

Mr. Renouard heads the archive and documentation section of the Foreign Ministry, which itself lost part of its valuable collection of maps and globes during the war.

He said that negotiations to bring back stolen art objects often founder on delicate diplomatic and juridical problems. Many looted works, for example, have been bought in good faith by one or more buyers. Claims risk touching off counterclaims that the French, and others, would prefer to avoid.

Napoleon, after all, amassed a huge collection of art booty during the course of his conquests.



"Coco Writing" by Auguste Renoir, one of the 28 major paintings returned by Germany earlier this year.

## SERVANTS: For South Africa's Domestics, a Long Struggle for Freedom Is Far From Over KOHL: Victory in Hand, Now Comes the Hard Part

Continued from Page 1

or killed, human rights lawyers say. In one case shortly after the election, a domestic was shot and killed by her boss after she admitted to voting for Mr. Mandela, human rights lawyers said.

"Wherever these people can be abused, they are vulnerable," said Aubrey Lekwane, deputy regional director of Lawyers for Human Rights, a South African advocacy group. "They can't leave because it's the last stop. Some are illiterate. There are no other jobs for them."

For generations, the master-servant relationship has been the main meeting point for blacks and whites. The country was built with the expectation that the average middle-class white family would have live-in servants. Many otherwise modest, three-bedroom homes in the suburbs include maid's quarters in the back. The most popular comic strip in the country concerns a white householder and her black maid.

"Domestic servants are ubiquitous in South Africa," said Harry Dugmore, a co-writer of the comic strip, "Madam and

Eve." "If you have money, you have a servant. It is the South African way."

There are at least 1 million domestics in the country, or about one in every five black adults in the labor force. Many leave their own children behind in poor townships or rural homelands a day's bus ride away to scrub somebody else's floors and change the diapers of somebody else's children. They are often their family's only breadwinner, usually divorced or separated, because, they say, most marriages wither in their absence from home.

Many work Sunday to Sunday with indefinite hours, resting when their employer says rest, as one domestic put it. Some get only a few hours off every Thursday. They usually eat the family's leftovers and live free of charge in a tiny back room.

If they are lucky, they make \$150 a month, most of which goes to feeding and clothing the children and grandchildren they do not get to raise. Most go home once a year at Christmas.

"I do not have dreams, only worries," Antoinette Dlung-

wana said of the weight she carries as sole provider to four children and three grandchildren back home in Transkei. "As I am eating this meal, I am thinking about them."

She rarely speaks to her children because her employer will not permit her to call home. To reach her family, she must get a friend in the post office to relay messages for her.

That is the lesser of her indignities. She dusts the sofas and chairs but is not permitted to sit on them. She must move from room to room the one kitchen chair she is allowed to sit on, placing newspapers underneath before setting it down.

"If I want to sit and talk with the madame, I have to bring my chair," she said. "I cannot sit on her chair. My things must not mix with her things. I must use my own spoon, my own plate, my own cup."

A hard life has gotten harder since the campaign last April. A few days before the election, Delsie Sedibe recalled, her employer showed her a copy of the ballot and pointed to the picture of Frederik W. de Klerk, the former president, and gave

instructions: "This is what you vote for. Don't make a mistake. There is de Klerk. There is Buthelezi below him. You must be careful. Mandela is light in complexion. Don't confuse him with de Klerk." She was referring to Chief Mangosuthu Buthelezi, head of the Zulu-based Inkatha Freedom Party.

The employer took her maid to the polls, as many did, and warned her again about what she must do. Mrs. Sedibe nodded and stepped inside.

"When I was in the voting booth, it was only me and my God," she said. "So I put an X next to Mandela."

Some time after Mr. Mandela won, Mrs. Sedibe was watching the news, after finishing the ironing, when she was asked what she was doing.

"I want to hear what Mandela is saying," Mrs. Sedibe said.

"Why are you listening?" the master said. "That means you like him."

"He's the president," she said. "He was voted by the people."

"Oh, that means you voted for him, too," the master said.

A few weeks later she was dismissed. The job had been paying her \$100 a month.

The government's general response to labor issues has been that the Reconstruction and Development Program will help set the country on the right course to the benefit of all citizens, half of whom are unemployed. Mr. Mandela has put a priority on improving the economy, creating more jobs and raising the level of education so that people like domestics can get better jobs.

After hearing of Mr. Mandela's inauguration, Mrs. Dlungwana was euphoric. A man who looked like her, was Xhosa like her, has her high cheekbones and regal, handsome face, was in charge of the country.

But after it was over, she walked up the fire escape to the 6-foot-by-8-foot (1.8-meter-by-2.4-meter) cell-like room, lit by a naked light bulb, that is her home 11 months of the year. There is room for only a bed and the boxes she has made her closet.

She taped a poster-sized picture of Mr. Mandela above her hot plate. Then she thought about her life.

"There is no change," Mrs. Dlungwana said. "We are still treated exactly like slaves."

Continued from Page 1

work of German unity. "If the Germans don't realize now that German unity as a historical event will be wasted if we don't press ahead in parallel with European unity, then there is no hope for the Germans," the chancellor said in a press conference Monday.

Both brands of unity may be within Mr. Kohl's reach, but neither will be wholly successful if Germany becomes mired in the problems now threatening it.

Consider the country's economic plight. On the surface — and the surface is what Mr. Kohl chose to stress in the campaign — things look pretty fair. Inflation has dropped a bit, to just over 3 percent. Unemployment has also come down, to just under 8 percent in Western Germany and under 14 percent in the East. Last year's shrinking economy has been supplanted by this year's 2.5 percent growth, including a boom of more than 8 percent in Eastern Germany. The country had a \$39 billion trade surplus last year.

But beneath these glad tidings lie intractable structural problems, which the German government has only superficially addressed. More than 3.5 million people remain jobless

and there are signs that high unemployment may become a permanent feature of the German landscape. Germans work fewer hours and have the highest wages and benefits (now creeping toward \$30 per hour on average) than anyone else in the world, with predictable results for product costs.

Despite recent efforts to improve competitiveness by lowering some business taxes, the country is ensnared in regulation and hobbled by a lack of workplace flexibility. For example, working on Sunday is still virtually banned and shop hours are tightly controlled. Privatization and technological innovation are advancing slowly, at best.

"The engine of recovery is running on two cylinders, foreign demand and a construction boom," Rudolf Scharping, the Social Democrats' unsuccessful candidate for chancellor, observed during the campaign. "The other two cylinders are missing, capital investment" and domestic demand.

Impressive progress in the East has come at the expense of a runaway federal debt and the transfer of some 500 billion Deutsche marks (\$325 billion) from Western Germany in the last four years. The government now spends one mark in every

seven on debt servicing and that most likely will rise to one mark in every four by 1997, according to the Federal Audit Office.

Beyond the economy are a host of other domestic problems: persistent regional violence and xenophobia; disturbing demographic trends, including a rapidly aging population; increasing crime; a troubled university system, and so on.

Some of those closest to Mr. Kohl suspect, however, that the chancellor wants to spend his final term not in the bowels of German domestic policy but on the sunny heights where statesmen stand.

A genuinely unified Europe, perhaps garnished with a permanent German seat on the United Nations Security Council and routine German participation in international peacekeeping expeditions, would ensure Mr. Kohl's stature as a chancellor for the ages — "Bismarck in a cardigan," as Der Spiegel magazine dubbed him.

Whether domestic politics permits the chancellor to complete his European architecture and whether Mr. Kohl has the wherewithal to tackle German domestic problems will be linchpin issues in the new government.

## Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

If you missed our Education Special Report which appeared on October 11, and you would like further information on any of the advertisements listed below, simply complete this coupon and send it to:

CLAIRE ACHARD, Advertising Department,  
181, Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

### Executive Education

#### France

- 1 IDPAR ☐
- 2 ESC Rouen ☐
- 3 IFAM ☐
- 4 HEC-ISA ☐
- 5 Georgia Tech-Lorraine ☐

#### International

- 6 Boston University ☐

#### Switzerland

- 7 AGSB ☐
- 8 Center for Management Studies ☐

#### U.K.

- 9 Leicester University ☐

#### U.S.A.

- 10 Bowling Green University ☐
- 11 Wharton Business School ☐

### Colleges & Universities

#### Belgium

- 12 Vesalius College ☐

#### France

- 13 Sorbonne ☐
- 14 Georgia Tech-Lorraine ☐
- 15 The American University of Paris ☐

#### International

- 16 Schiller University ☐
- 17 European University ☐

#### Italy

- 18 John Cabot University ☐
- 19 American University of Rome ☐

#### Switzerland

- 20 Schiller American College ☐

#### Netherlands

- 21 EHC Emerson ☐

#### U.K.

- 22 St. Clare's Oxford ☐
- 23 Richmond College ☐

### U.S.A.

- 24 Preston University ☐
- 25 American World University ☐
- 26 Berkeley Summer Sessions ☐
- 27 Century University ☐
- 28 Chadwick University ☐
- 29 La Salle University ☐
- 30 Pace University ☐
- 31 Syracuse University ☐
- 32 University of New Orleans ☐

### Day & Boarding Schools

#### Austria

- 33 Salzburg Int'l Preparatory School ☐

#### France

- 34 Emecole ☐
- 35 Int'l School of Monaco ☐
- 36 Ecole Active Bilingue ☐
- 37 The Lermen Bilingual School ☐

#### International

- 38 Tasis ☐

#### Switzerland

- 39 John F. Kennedy ☐
- 40 Int'l School of Geneva ☐
- 41 Montana Zugerberg ☐
- 42 Laysan American School ☐
- 43 Aiglon ☐

### U.S.A.

- 44 American School ☐
- 45 Judson School ☐
- 46 Oxford Academy ☐

### Language Schools

#### International

- 47 Ceram Int'l ☐

#### France

- 48 Institut Parisien ☐
- 49 Business Talk France ☐
- 50 Université Aix-Marseille ☐
- 51 Sud-Langue ☐
- 52 La Cardère ☐
- 53 AMSE ☐
- 54 Institut Français ☐

### Spain

- 55 Centro de Estudios de Espanol ☐

### Switzerland

- 56 Lemania ☐

### U.K.

- 57 Sels College ☐

### Art & Design Schools

#### France

- 58 Parsons ☐

#### Germany

- 59 Blocherer Schule ☐

#### Italy

- 60 The Int'l School of Art ☐

#### U.S.A.

- 61 Academy of Art College ☐
- 62 School of Fashion College ☐

### Hotel Management Schools

#### France

- 63 Maxim's ☐

#### Switzerland

- 64 ICHA ☐

#### U.S.A.

- 65 Hotelconsult ☐
- 66 HIM ☐
- 67 Hosta ☐
- 68 IHITI ☐

### Miscellaneous

#### France

- 69 Le Cordon Bleu ☐

#### International

- 70 University of Pittsburgh ☐

#### U.S.A.

- 71 Florida Air Academy ☐
- 72 Ross University ☐

## TUNNEL: Passenger Trains to Roll Under Channel in Mid-November

Continued from Page 1

day trading session on the Paris Bourse at a record low of 17.85 francs (\$3.47), off 6 percent on the day.

The operator of the Channel Tunnel had earlier cut its revenue forecasts for this year by three-fourths, to 337 million francs instead of the 1.35 billion forecast in May.

With freight shuttle trains and through freight trains up and running, and with through passenger service scheduled for

next month, all that remains to be opened is passenger shuttle service, which will take passengers and their cars between Dover on the English side and Calais. That service is expected to begin in late November or early December.

Passengers and freight companies hoping to see the operators of the tunnel trains muscle their way into the market through heavy price discounts were disappointed on Monday. Eurotunnel officials stressed

that theirs is a "premium service."

"We do not seek to undercut the ferries on price," Sir Alastair said. "We will not buy business."

Eurotunnel's commercial director, Christopher Garnett, noted that the company's freight shuttles for heavy-goods trucks now ran 34 departures a day each way, with business building steadily. In the week ending Saturday, he said, the trains had carried 1,725 trucks.

Mr. Garnett also said that several delivery services were switching some of their business from airplanes to the tunnel.

Sir Alastair proved his confidence in the tunnel's prospects by revealing that he had just placed an order for 5,000 Eurotunnel shares.

"I will sell them when I have got a 50 percent return," he said. He did not predict when that might be.

## DOLLAR: No Reversal Is in Sight Following Currency's Latest Tumble

Continued from Page 1

Sunday that seemed to imply a lack of concern with the dollar's weakness, were enough to send the currency crashing. When it hit 1,497.00 DM in Asian trading, the dollar was more than 2 pennings below its Friday close in New York and stood at its lowest level in two years.

On Monday, Mr. Bensen said he wanted to see the dollar stronger, but his comments were disregarded by the market.

In Asia, the dollar also fell sharply against the yen, hitting 97.25 yen before massive intervention by the Bank of Japan drove it back above 98 yen. But it fell again later in the day, to 97.65 yen.

Analysts said that, as has been the case for much of the year, most of the activity came from banks and speculative hedge funds seeking short-term trading gains.

One big question worrying some experts was how long corporations would remain neutral on the dollar.

"They have stuck with the currency for a long time," said Mr. Burke, who noted that in February the dollar stood at 1,770 DM.

A shift of sentiment in the corporate sector would knock out one of the few pillars of support the dollar still has.

In the near term, experts see the dollar as heading still lower.

Christian Dunis, currency strategist at Chemical Bank, sees it heading down by 2 or 3 more pennings. Others see it going into the mid-1.40s.

Michael Burke, an economist with Citibank's foreign exchange department, noted that with Mr. Kohl's government safely re-elected, "The question of political risk now switches firmly to the U.S." The Clinton administration is widely expected to

suffer major setbacks in next month's congressional elections.

While the dollar's weakness has caught many analysts by surprise, most see little sign of a full-blown dollar rout.

What worries some observers is that U.S. statistics Friday showing lessened inflationary pressures were presumed to be bullish for the currency. With the dollar actually dropping, some analysts expressed concern as to how the market would respond to bad figures.

The French franc also weakened against the mark, falling below its 3,430 franc floor against the mark under the former fluctuation ranges of the EU's exchange rate mechanism. In New York, the dollar ended at 5,143 francs, compared with 5,2138 on Friday.

—ERIK IPSEN

## CHINA: Swords for Plowshares

Continued from Page 1

ers of civilian goods. American officials said the commission would pursue projects that would provide the Chinese with technology for "environmentally safe vehicles" and for air traffic control for civilian flights, a job now handled by the military.

Westinghouse Electric Corp. and Raytheon Co. are both involved in negotiations already to provide air traffic control equipment, sources in Beijing said. And though a U.S. official traveling with Mr. Perry said that contract awards were not imminent, he hoped the commission would later help tilt the Chinese government toward U.S. contractors.

Many military analysts say they believe the Chinese military wants air traffic equipment that would have military applications, but U.S. officials adamantly asserted that any technology given would be for civilian purposes and would have to go through the usual technology export licensing procedures.

Mr. Perry also urged Chinese officials to make their military budget and planning more open in order to avoid misunderstandings. Military analysts believe China's official military budget is a fraction of its true military spending, for example.

In what was probably a reference to Japan, Vietnam and Taiwan, a senior U.S. official said secrecy would only prompt China's neighbors look at worst-case scenarios.

The Perry visit has been aided by several earlier missions. The meetings of talks that started almost a year ago when a senior Pentagon official, Charles W. Freeman Jr., came here to reopen military relations with China.

## RIFT: Prince Philip Rebukes Son











**Herald Tribune**







## ASIA/PACIFIC

# Trade Surplus Eases in Japan At a Gentle Pace

By Steven Brull

International Herald Tribune

TOKYO — In a clear sign that Japan's trade imbalance has peaked and begun to contract, the government reported Monday that the surplus fell in September by 4.6 percent and declined over the six months through September for the first time in three and a half years.

In theory, the 0.7 percent contraction in the half-year surplus, to \$59.38 billion, should relieve upward pressure on the yen and provide impetus to Japan's still slow recovery from its longest postwar recession.

But with the trade surplus shrinking at such a leisurely pace, economists say the shift will do little to weaken the yen. Moreover, there is the uncomfortable fact for Tokyo that the trade surplus with the United States grew 2.4 percent in September, its sixth straight month of year-on-year expansion.

"The surplus is not going to come down all at once, but we're definitely past the peak and headed in the right direction," said Ron Bevacqua, economist at Merrill Lynch Japan.

Tokyo's trade surplus, which hit \$141 billion in 1993, is likely to swell to \$147 billion in 1994 before declining to \$127 billion in 1995, he said.

The Finance Ministry said Friday that Japan's merchandise trade surplus in September fell 4.6 percent, to \$11.94 billion. That marked the second consecutive month of year-on-year declines and reflected the slowly expanding economy's propensity to import more.

Although strong overseas demand for Japanese products boosted exports by 8.2 percent, to \$36.09 billion, imports rose 16 percent, to \$24.15 billion. Contributing to the most were sharply higher imports of crude oil and machinery.

The growing taste for less ex-

pensive foreign products was clear in September's 59 percent increase in auto imports and 42 percent rise in imports of audiovisual equipment.

Still, the Finance Ministry was cautious, warning that exchange rates and oil prices could disrupt the trend. Growth outside Japan also will mitigate against a rapid decline in Tokyo's trade surplus.

Despite a 14 percent jump in the value of the yen against the dollar so far this year, Tokyo's surplus with the United States grew to \$5.8 billion in September. Exports advanced 6.3 percent, to \$10.9 billion, as imports fell 12.6 percent, to \$5.1 billion.

The surplus is likely to shift only when the U.S. economy loses its thirst for Japanese imports. "We are confident that as the U.S. economy begins to slow down over the next six months, the bilateral surplus will start to decline in earnest," Baring Securities said in a note to investors.

Japan's trade surplus with Asia expanded 11.3 percent, to \$3.3 billion. Exports rose 16 percent, to \$14.2 billion, but imports jumped 19 percent, to \$8.9 billion.

The biggest improvement came in trade with the European Union, where Japan's surplus narrowed 20 percent, to \$2.2 billion.

## Big Stores' Sales Decline

Tokyo's department store sales in September fell for the 31st consecutive month, reflecting slow sales of autumn clothes and continued sluggish corporate demand, Agence France Presse reported, quoting an industry association.

But Japanese corporate bankruptcies fell 6.8 percent in September from a year earlier, to 1,104 cases, their third consecutive year-on-year decline, a private credit research agency said.

## IMF Chief Reassures Manila

The Associated Press

MANILA — The head of the International Monetary Fund expressed concern Monday about inflation in the Philippines but said he was otherwise happy with its economic gains, officials said.

Michel Camdessus, the IMF managing director, arrived Saturday for talks with President Fidel V. Ramos and other Philippine leaders.

Senator Raul Roco, chairman of the Senate Finance Committee, said senators had

held cordial talks with Mr. Camdessus.

"There was no effort to tell us what to do," Mr. Roco said. "They are happy with the Philippine economic development."

Mr. Roco said Mr. Camdessus brought up the subject of the inflation rate, which was 8.6 percent in September, down from 9.9 percent in August.

Mr. Camdessus told central bank officials that he wanted inflation to remain in single digits, Gabriel Singson, governor of the central bank, said.

# Honda Focuses on Asia Carmaker Invests in Thailand Factory

Compiled by Our Staff From Dispatches

TOKYO — Taking advantage of a booming Southeast Asian market while protecting itself from a strong yen, Honda Motor Co. said Monday it would build a \$100 million car plant in Thailand.

Toyota Motor Corp., the top automaker in Japan, also announced plans to increase production in Thailand.

Honda said the factory would allow it to increase production in Thailand to as much as 100,000 cars a year from 36,000 currently. Toyota said it would raise output at its Thai plant by 50 percent over three years.

Toyota is also considering expanding its factory in the Philippines. The company already has plants in Indonesia, Malaysia and Taiwan.

All Japanese carmakers have seen their revenue reduced as the rise in the yen cuts into proceeds from overseas sales when these are converted back into yen.

Because the automakers get as much as 60 percent of their revenue from overseas sales, production outside Japan reduces the currency risk and moves production closer to their growing markets.

The yen's strength has taken a heavy toll this year: Honda said its revenue was cut by 26 billion yen (\$262 million) in its last quarter because of the yen, and Toyota lost 160 billion yen to negative currency translations in its latest full year.

Steve Usher, an analyst at Kleinwort Benson International, said most Japanese automakers had finished the

**Demand for cars in Southeast Asia has been growing at a phenomenal rate.**

work of building production plants in North America and will now shift to developing markets such as Asia.

Demand for cars in Southeast Asia has been growing at a phenomenal rate as incomes and living standards rise.

Toyota said sales in 1993 in the six nations of the Associa-

tion of Southeast Asian Nations grew 18.5 percent from a year earlier. Sales in Thailand, where the economy surged more than 8 percent last year, grew 26 percent.

ASEAN comprises Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

Spokesmen for Honda and Toyota said they saw great potential for car sales in Asia. While the 220,000 cars Toyota sold in Southeast Asia last year pale in comparison with the 1,030,000 cars it sold in the United States, growth rates are the key attraction, the Toyota spokesman said.

Honda said the new plant, its third in Thailand, would start production in the spring of 1996. The company has sold 23,000 cars in Thailand so far this year, up 40 percent from last year.

The Southeast Asian market is progressing more rapidly than that of China, where Japanese companies have met with less success. Toyota has signaled its willingness to build a joint-venture vehicle plant in China but has yet to receive approval from Beijing. (Bloomberg, AP, Reuters)

## Firm Finally Gets Minivan in Gear

By Andrew Pollack

New York Times Service

TOKYO — Honda Motor Co. will attempt to plug a major hole in its product line Thursday when it comes out with its first minivan. The name of the van, Odyssey, could not be more appropriate.

The Odyssey is only the first step in what is likely to be a long journey for Honda, as it tries to catch up in a booming part of the vehicle market that it has ignored for years.

Honda officials have said they hope to make up for their late start by creating a new type of vehicle, combining the spaciousness of a minivan and the maneuverability of a car. Analysts said the Odyssey, which will go on sale immediately in Japan and early next year in the United States and Europe, did have some innovative features. It also has shortcomings, including a high price and a small engine, both of which will limit its appeal in the American market.

"It's a very good vehicle, but it's not fully competitive with the U.S. vans," said Chris W. Cedergren of AutoPacific Inc., a consulting firm. "What they're trying to do is get their feet wet."

Honda has fairly limited ambitions. To start, it is planning to sell about 30,000 vehicles a year in the United States. By contrast, Chrysler Corp. is expected to sell more than 500,000 of its Dodge Caravan and Plymouth Voyager vans this year.

Honda has always believed in focusing on passenger cars, ignoring commercial vehicles. That philosophy caused it to miss out on the rapidly growing markets for minivans, pickups and sport-utility vehicles in the American

market, an egregious blunder for a company that sells more cars in the United States than it does in Japan.

These types of vehicles account for about 40 percent of the American market, and is remains the only major manufacturer that has not begun competing for this market share.

Honda executives in Japan have been talking for a year about how innovative the new minivan would be. Company engineers codenamed the Odyssey P.J. — for personal jet.

The new vehicle is indeed car-like in some respects and is based on the chassis used in the popular Accord. It is somewhat narrower and shorter than most minivans in the United States. It has four conventional car doors, as in a sedan, rather than the rear sliding door found in most minivans.

The Odyssey also has a four-cylinder, 2.2-liter gasoline engine, smaller than the V-6 engines common in American minivans.

The Odyssey will be pricey. In Japan, the base model will start at about 2 million yen, or about \$20,000. In the United States the Odyssey is expected to sell for \$22,000 to \$26,000, compared with a range of \$18,000 to \$25,000 for many competitors.

One reason for the high price in the United States is that the van will be manufactured in Japan, and its export price will reflect the strength of the yen.

Honda is already developing a V-6 engine for the Accord, and that engine will eventually become an option for the Odyssey. By 2000, Mr. Cedergren of AutoPacific predicted, Honda will introduce a minivan designed and manufactured in the United States and aimed more specifically at the American market.

# India Eases Rules on Loan Rates, Fees to Fall

BOMBAY — India partly deregulated interest rates Monday in the latest phase of its economic reform program, and bankers said they expected prime rates to fall.

Officials at the Reserve Bank of India said the move was part of a phased program to bring in lower interest rates.

Under the new guidelines, commercial banks will be free to start Tuesday to decide how much to charge on loans of more than 200,000 rupees (\$6,383). Alana Killawala, the central bank's spokeswoman, said.

Bankers said the lower rates would help stimulate India's economy in the fourth year of reforms aimed at integrating the country into the global economy.

Officials at Indian brokerage houses said the move should lead to a rate cut of about one percentage point, but some bankers said the cuts would be two to 2.5 percentage points.

Until now, banks have been required to charge a minimum interest rate on loans above 200,000 rupees. That rate, currently 15 percent, was the benchmark rate for all bank lending in India and was set by the central bank.

Interest rates on loans between 25,000 and 200,000 rupees are fixed at 13.5 percent, the central bank said. Loans of less than 25,000 rupees are fixed at 12 percent.

A bank governor, Chakravarty Rangarajan, outlining the bank's credit policy for the next six months, also eased credit controls on cotton and rice and raised borrowing limits for major infrastructure projects to 5 billion rupees a project from 2 billion rupees.

The bank said it would also free up 28 billion rupees by cutting reserve requirements of commercial banks.

The interest-rate deregulation allows banks to set their own prime lending rates.

"Banks would be required to obtain the approval of their respective boards for the prime lending rate, which will be the minimum rate charged by the banks for credit limits of over 200,000 rupees," the central bank said. Nearly all large banks in India have been owned by the government since they were nationalized in 1969.

Bankers said the Reserve Bank's move, which was announced after the close of trading on India's stock markets, had taken them by surprise.

(Reuters, Bloomberg)

## Investor's Asia

Hong Kong Hang Seng	Singapore Straits Times	Tokyo Nikkei 225
11000	2400	22000
10000	2200	20000
9000	2000	18000
8000	1800	16000
7000	1600	14000
6000	1400	12000
5000	1200	10000
4000	1000	8000
3000	800	6000
2000	600	4000
1000	400	2000
0	200	0

Exchange	Index	Monday Close	Prev. Close	% Change
Hong Kong	Hang Seng	8,456.94	8,550.93	-0.99
Singapore	Straits Times	2,387.57	2,377.90	+0.43
Sydney	All Ordinaries	2,014.20	2,006.00	+0.41
Tokyo	Nikkei 225	18,958.29	18,989.29	-0.16
Kuala Lumpur	Composite	1,128.12	1,128.45	-0.21
Bangkok	SET	1,509.47	1,496.55	+0.75
Seoul	Composite Stock	1,105.87	1,096.48	+1.22
Taipei	Weighted Price	6,731.23	6,695.46	+0.53
Manila	PSE	3,050.14	2,998.93	+1.67
Jakarta	Stock Index	511.34	510.34	+0.20
New Zealand	NZSE-40	2,068.38	2,068.28	+0.04
Bombay	National Index	2,055.47	2,068.63	-0.64

Sources: Reuters, AFP. International Herald Tribune

## Very briefly:

• British Airways PLC has joined with Air China, China's international carrier, and Hutchison Whampoa Ltd., the Hong Kong conglomerate, to bid for one of three aircraft maintenance licenses at Hong Kong's new airport.

• Hong Leong Bank Bhd. surprised analysts when its stock rose 165 percent on its first day of trading in Kuala Lumpur, closing at 8.75 ringgit (\$3.42) after an issue price of 3.30.

• Japan Air Lines Co., Japan's largest carrier, said it had been talking to Thai Airways International Ltd. since early this year about strengthening business ties.

• China Resources Holdings, a state-controlled holding company, has sold its most of its stake in Giordano Holding Ltd., a Hong Kong retailer controlled by Jimmy Lai.

• Dai-ichi Kangyo Bank Ltd. and Bank of Tokyo offered the best rates on its first day of trading in Japan, at 0.30 percent; eight of the 11 largest banks offered 0.25 percent.

• Singapore companies' investment abroad rose 26 percent last year, to 28.2 billion Singapore dollars (\$19 billion); almost one-third of the money went to Malaysia and Hong Kong.

• OLS Asia Holdings, the third Chinese company to list its stock on the Australian stock exchange, closed at 1 Australian dollar (73 U.S. cents), up from its issue price of 92 cents. AFP, Bloomberg, Reuters

## Shaky Start by Manila Issue

Reuters

MANILA — Shares in a telecommunications company making its debut on the Philippine Stock Exchange suffered Monday because of controversy over revelations that its chairman had a U.S. criminal conviction, brokers said.

But they also said that a five million peso (\$196,000) fine imposed by the exchange against the issue's lead underwriters would help the market, making it clear to investors that authorities were serious about enforcing trading rules.

Liberty Telecom Holdings Inc., a mobile-phone company headed by Raymond Moreno, ended its first day of trading at 2.65 pesos after opening at 2.80. The shares, offered to the public

at 2.50, reportedly had been trading at 3.50 on the gray market before the listing.

Patrick Garcia of L. M. Garcia & Associates noted "nervous selling on the issue."

The local lead underwriter, Peregrine Capital Philippines Inc., was fined for making a "late and incomplete" disclosure that Mr. Moreno had paid \$30,000 in fines and \$970,000 in a related U.S. civil action in 1987. The charges against him arose from a Justice Department inquiry into an alleged conspiracy to siphon \$3 million from a government-financed telecommunications project.

Peregrine has denied it was at fault and has asked the exchange to review the fine.

## NYSE

Monday's Closing  
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

Low Stock	Div	Yld	PE	High	Low	Latest	Chg
100	1.00	4.00	10.00	100	100	100	0
101	1.00	4.00	10.00	101	101	101	0
102	1.00	4.00	10.00	102	102	102	0
103	1.00	4.00	10.00	103	103	103	0
104	1.00	4.00	10.00	104	104	104	0
105	1.00	4.00	10.00	105	105	105	0
106	1.00	4.00	10.00	106	106	106	0
107	1.00	4.00	10.00	107	107	107	0
108	1.00	4.00	10.00	108	108	108	0
109	1.00	4.00	10.00	109	109	109	0
110	1.00	4.00	10.00	110	110	110	0

Low Stock	Div	Yld	PE	High	Low	Latest	Chg
111	1.00	4.00	10.00	111	111	111	0
112	1.00	4.00	10.00	112	112	112	0
113	1.00	4.00	10.00	113	113	113	0
114	1.00	4.00	10.00	114	114	114	0
115	1.00	4.00	10.00	115	115	115	0
116	1.00	4.00	10.00	116	116	116	0
117	1.00	4.00	10.00	117	117	117	0
118	1.00	4.00	10.00	118	118	118	0
119	1.00	4.00	10.00	119	119	119	0
120	1.00	4.00	10.00	120	120	120	0

Low Stock	Div	Yld	PE	High	Low	Latest	Chg
121	1.00	4.00	10.00	121	121	121	0
122	1.00	4.00	10.00	122	122	122	0
123	1.00	4.00	10.00	123	123	123	0
124	1.00	4.00	10.00	124	124	124	0
125	1.00	4.00	10.00	125	125	125	0
126	1.00	4.00	10.00	126	126	126	0
127	1.00	4.00	10.00	127	127	127	0
128	1.00	4.00	10.00	128	128	128	0
129	1.00	4.00	10.00	129	129	129	0
130	1.00	4.00	10.00	130	130	130	0

Low Stock	Div	Yld	PE	High	Low	Latest	Chg
131	1.00	4.00	10.00	131	131	131	0
132	1.00	4.00	10.00	132	132	132	0
133	1.00	4.00	10.00	133	133	133	0
134	1.00	4.00	10.00	134	134	134	0
135	1.00	4.00	10.00	135	135	135	0
136	1.00	4.00	10.00	136	136	136	0
137	1.00	4.00	10.00	137	137	137	0
138	1.00	4.00	10.00	138	138	138	0
139	1.00	4.00	10.00	139	139	139	0
140	1.00	4.00	10.00	140	140	140	0

12 Month		High Low Stock		Div		Yld	PE	100s	52
Low Stock		High		High		High		High	
141	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
142	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
143	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
144	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
145	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
146	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
147	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
148	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
149	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
150									



**Monday's 4 p.m.**  
This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

[illegible][illegible][illegible][illegible]

12-Month	High	Low	Stock	Div	Yld	P/E	Ds	100s	High	Low	Low Limit
214	10	10	Chrysler		2.9	22	100	100	100	100	100
215	10	10	Citicorp		2.9	22	100	100	100	100	100
216	10	10	Citicorp		2.9	22	100	100	100	100	100
217	10	10	Citicorp		2.9	22	100	100	100	100	100
218	10	10	Citicorp		2.9	22	100	100	100	100	100
219	10	10	Citicorp		2.9	22	100	100	100	100	100
220	10	10	Citicorp		2.9	22	100	100	100	100	100
221	10	10	Citicorp		2.9	22	100	100	100	100	100
222	10	10	Citicorp		2.9	22	100	100	100	100	100
223	10	10	Citicorp		2.9	22	100	100	100	100	100
224	10	10	Citicorp		2.9	22	100	100	100	100	100
225	10	10	Citicorp		2.9	22	100	100	100	100	100
226	10	10	Citicorp		2.9	22	100	100	100	100	100
227	10	10	Citicorp		2.9	22	100	100	100	100	100
228	10	10	Citicorp		2.9	22	100	100	100	100	100
229	10	10	Citicorp		2.9	22	100	100	100	100	100
230	10	10	Citicorp		2.9	22	100	100	100	100	100
231	10	10	Citicorp		2.9	22	100	100	100	100	100
232	10	10	Citicorp		2.9	22	100	100	100	100	100
233	10	10	Citicorp		2.9	22	100	100	100	100	100
234	10	10	Citicorp		2.9	22	100	100	100	100	100
235	10	10	Citicorp		2.9	22	100	100	100	100	100
236	10	10	Citicorp		2.9	22	100	100	100	100	100
237	10	10	Citicorp		2.9	22	100	100	100	100	100
238	10	10	Citicorp		2.9	22	100	100	100	100	100
239	10	10	Citicorp		2.9	22	100	100	100	100	100
240	10	10	Citicorp		2.9	22	100	100	100	100	100
241	10	10	Citicorp		2.9	22	100	100	100	100	100
242	10	10	Citicorp		2.9	22	100	100	100	100	100
243	10	10	Citicorp		2.9	22	100	100	100	100	100
244	10	10	Citicorp		2.9	22	100	100	100	100	100
245	10	10	Citicorp		2.9	22	100	100	100	100	100
246	10	10	Citicorp		2.9	22	100	100	100	100	100
247	10	10	Citicorp		2.9	22	100	100	100	100	100
248	10	10	Citicorp		2.9	22	100	100	100	100	100
249	10	10	Citicorp		2.9	22	100	100	100	100	100
250	10	10	Citicorp		2.9	22	100	100	100	100	100
251	10	10	Citicorp		2.9	22	100	100	100	100	100
252	10	10	Citicorp		2.9	22	100	100	100	100	100
253	10	10	Citicorp		2.9	22	100	100	100	100	100
254	10	10	Citicorp		2.9	22	100	100	100	100	100
255	10	10	Citicorp		2.9	22	100	100	100	100	100
256	10	10	Citicorp		2.9	22	100	100	100	100	100
257	10	10	Citicorp		2.9	22	100	100	100	100	100
258	10	10	Citicorp		2.9	22	100	100	100	100	100
259	10	10	Citicorp		2.9	22	100	100	100	100	100
260	10	10	Citicorp		2.9	22	100	100	100	100	100
261	10	10	Citicorp		2.9	22	100	100	100	100	100
262	10	10	Citicorp		2.9	22	100	100	100	100	100
263	10	10	Citicorp		2.9	22	100	100	100	100	100
264	10	10	Citicorp		2.9	22	100	100	100	100	100
265	10	10	Citicorp		2.9	22	100	100	100	100	100
266	10	10	Citicorp		2.9	22	100	100	100	100	100
267	10	10	Citicorp		2.9	22	100	100	100	100	100
268	10	10	Citicorp		2.9	22	100	100	100	100	100
269	10	10	Citicorp		2.9	22	100	100	100	100	100
270	10	10	Citicorp		2.9	22	100	100	100	100	100
271	10	10	Citicorp		2.9	22	100	100	100	100	100
272	10	10	Citicorp		2.9	22	100	100	100	100	100
273	10	10	Citicorp		2.9	22	100	100	100	100	100
274	10	10	Citicorp		2.9	22	100	100	100	100	100
275	10	10	Citicorp		2.9	22	100	100	100	100	100
276	10	10	Citicorp		2.9	22	100	100	100	100	100
277	10	10	Citicorp		2.9	22	100	100	100	100	100
278	10	10	Citicorp		2.9	22	100	100	100	100	100
279	10	10	Citicorp		2.9	22	100	100	100	100	100
280	10	10	Citicorp		2.9	22	100	100	100	100	100
281	10	10	Citicorp		2.9	22	100	100	100	100	100
282	10	10	Citicorp		2.9	22	100	100	100	100	100
283	10	10	Citicorp		2.9	22	100	100	100	100	100
284	10	10	Citicorp		2.9	22	100	100	100	100	100
285	10	10	Citicorp		2.9	22	100	100	100	100	100
286	10	10	Citicorp		2.9	22	100	100	100	100	100
287	10	10	Citicorp		2.9	22	100	100	100	100	100
288	10	10	Citicorp		2.9	22	100	100	100	100	100
289	10	10	Citicorp		2.9	22	100	100	100	100	100
290	10	10	Citicorp		2.9	22	100	100	100	100	100
291	10	10	Citicorp		2.9	22	100	100	100	100	100
292	10	10	Citicorp		2.9	22	100	100	100	100	100
293	10	10	Citicorp		2.9	22	100	100	100	100	100
294	10	10	Citicorp		2.9	22	100	100	100	100	100
295	10	10	Citicorp		2.9	22	100	100	100	100	100
296	10	10	Citicorp		2.9	22	100	100	100	100	100
297	10	10	Citicorp		2.9	22	100	100	100	100	100
298	10	10	Citicorp		2.9	22	100	100	100	100	100
299	10	10	Citicorp		2.9	22	100	100	100	100	100
300	10	10	Citicorp		2.9	22	100	100	100	100	100
301	10	10	Citicorp		2.9	22	100	100	100	100	100
302	10	10	Citicorp		2.9	22	100	100	100	100	100
303	10	10	Citicorp		2.9	22	100	100	100	100	100
304	10	10	Citicorp		2.9	22	100	100	100	100	100
305	10	10	Citicorp		2.9	22	100	100	100	100	100
306	10	10	Citicorp		2.9	22	100	100	100	100	100
307	10	10	Citicorp		2.9	22	100	100	100	100	100
308	10	10	Citicorp		2.9	22	100	100	100	100	100
309	10	10	Citicorp		2.9	22	100	100	100	100	100
310	10	10	Citicorp		2.9	22	100	100	100	100	100
311	10	10	Citicorp		2.9	22	100	100	100	100	100
312	10	10	Citicorp		2.9	22	100	100	100	100	100
313	10	10	Citicorp		2.9	22	100	100	100	100	100
314	10	10	Citicorp		2.9	22	100	100	100	100	100
315	10	10	Citicorp		2.9	22	100	100	100	100	100
316	10	10	Citicorp		2.9	22	100	100	100	100	100
317	10	10	Citicorp		2.9	22	100	100	100	100	100
318	10	10	Citicorp		2.9	22	100	100	100	100	100
319	10	10	Citicorp		2.9	22	100	100	100	100	100
320	10	10	Citicorp		2.9	22	100	100	100	100	100
321	10	10	Citicorp		2.9	22	100	100	100	100	100
322	10	10	Citicorp		2.9	22	100	100	100	100	100
323	10	10	Citicorp		2.9	22	100	100	100	100	100
324	10	10	Citicorp		2.9	22	100	100	100	100	100
325	10	10	Citicorp		2.9	22	100	100	100	100	100
326	10	10	Citicorp		2.9	22	100	100	100	100	100
327	10	10	Citicorp		2.9	22	100	100	100	100	100
328	10	10	Citicorp		2.9	22	100	100	100	100	100
329	10	10	Citicorp		2.9	22	100	100	100	100	100
330	10	10	Citicorp		2.9	22	100	100	100	100	100
331	10	10	Citicorp		2.9	22	100	100	100	100	100
332	10	10	Citicorp		2.9	22	100	100	100	100	100
333	10	10	Citicorp		2.9	22	100	100	100	100	100
334	10	10	Citicorp		2.9	22	100	100	100	100	100
335	10	10	Citicorp		2.9	22	100	100	100	100	100
336	10	10	Citicorp		2.9	22	100	100	100	100	100
337	10	10	Citicorp		2.9	22	100	100	100	100	100
338	10	10	Citicorp		2.9	22	100	100	100	100	100
339	10	10	Citicorp		2.9	22	100	100	100	100	100
340	10	10	Citicorp		2.9	22	100	100	100	100	100
341	10	10	Citicorp		2.9	22	100	100	100	100	100
342	10	10	Citicorp		2.9	22	100	100	100	100	100
343	10	10	Citicorp		2.9	22	100	100	100	100	100
344	10	10	Citicorp		2.9	22	100	100	100	100	100
345	10	10	Citicorp		2.9	22	100	100	100	100	100
346	10	10	Citicorp		2.9	22	100	100	100	100	100
347	10	10	Citicorp		2.9	22	100	10			

[illegible]

**Monday's Closing**  
Tables include the nationwide prices up to the closing on Wall Street and do not reflect trades elsewhere. Via The Associated Press

[illegible][illegible][illegible]

17	ALVIN	17	5' 10"	150	1:00	100
18	ALVIN	17	5' 10"	150	1:00	100
19	ALVIN	17	5' 10"	150	1:00	100
20	ALVIN	17	5' 10"	150	1:00	100
21	ALVIN	17	5' 10"	150	1:00	100
22	ALVIN	17	5' 10"	150	1:00	100
23	ALVIN	17	5' 10"	150	1:00	100
24	ALVIN	17	5' 10"	150	1:00	100
25	ALVIN	17	5' 10"	150	1:00	100
26	ALVIN	17	5' 10"	150	1:00	100
27	ALVIN	17	5' 10"	150	1:00	100
28	ALVIN	17	5' 10"	150	1:00	100
29	ALVIN	17	5' 10"	150	1:00	100
30	ALVIN	17	5' 10"	150	1:00	100
31	ALVIN	17	5' 10"	150	1:00	100
32	ALVIN	17	5' 10"	150	1:00	100
33	ALVIN	17	5' 10"	150	1:00	100
34	ALVIN	17	5' 10"	150	1:00	100
35	ALVIN	17	5' 10"	150	1:00	100
36	ALVIN	17	5' 10"	150	1:00	100
37	ALVIN	17	5' 10"	150	1:00	100
38	ALVIN	17	5' 10"	150	1:00	100
39	ALVIN	17	5' 10"	150	1:00	100
40	ALVIN	17	5' 10"	150	1:00	100
41	ALVIN	17	5' 10"	150	1:00	100
42	ALVIN	17	5' 10"	150	1:00	100
43	ALVIN	17	5' 10"	150	1:00	100
44	ALVIN	17	5' 10"	150	1:00	100
45	ALVIN	17	5' 10"	150	1:00	100
46	ALVIN	17	5' 10"	150	1:00	100
47	ALVIN	17	5' 10"	150	1:00	100
48	ALVIN	17	5' 10"	150	1:00	100
49	ALVIN	17	5' 10"	150	1:00	100
50	ALVIN	17	5' 10"	150	1:00	100
51	ALVIN	17	5' 10"	150	1:00	100
52	ALVIN	17	5' 10"	150	1:00	100
53	ALVIN	17	5' 10"	150	1:00	100
54	ALVIN	17	5' 10"	150	1:00	100
55	ALVIN	17	5' 10"	150	1:00	100
56	ALVIN	17	5' 10"	150	1:00	100
57	ALVIN	17	5' 10"	150	1:00	100
58	ALVIN	17	5' 10"	150	1:00	100
59	ALVIN	17	5' 10"	150	1:00	100
60	ALVIN	17	5' 10"	150	1:00	100
61	ALVIN	17	5' 10"	150	1:00	100
62	ALVIN	17	5' 10"	150	1:00	100
63	ALVIN	17	5' 10"	150	1:00	100
64	ALVIN	17	5' 10"	150	1:00	100
65	ALVIN	17	5' 10"	150	1:00	100
66	ALVIN	17	5' 10"	150	1:00	100
67	ALVIN	17	5' 10"	150	1:00	100
68	ALVIN	17	5' 10"	150	1:00	100
69	ALVIN	17	5' 10"	150	1:00	100
70	ALVIN	17	5' 10"	150	1:00	100
71	ALVIN	17	5' 10"	150	1:00	100
72	ALVIN	17	5' 10"	150	1:00	100
73	ALVIN	17	5' 10"	150	1:00	100
74	ALVIN	17	5' 10"	150	1:00	100
75	ALVIN	17	5' 10"	150	1:00	100
76	ALVIN	17	5' 10"	150	1:00	100
77	ALVIN	17	5' 10"	150	1:00	100
78	ALVIN	17	5' 10"	150	1:00	100
79	ALVIN	17	5' 10"	150	1:00	100
80	ALVIN	17	5' 10"	150	1:00	100
81	ALVIN	17	5' 10"	150	1:00	100
82	ALVIN	17	5' 10"	150	1:00	100
83	ALVIN	17	5' 10"	150	1:00	100
84	ALVIN	17	5' 10"	150	1:00	100
85	ALVIN	17	5' 10"	150	1:00	100
86	ALVIN	17	5' 10"	150	1:00	100
87	ALVIN	17	5' 10"	150	1:00	100
88	ALVIN	17	5' 10"	150	1:00	100
89	ALVIN	17	5' 10"	150	1:00	100
90	ALVIN	17	5' 10"	150	1:00	100
91	ALVIN	17	5' 10"	150	1:00	100
92	ALVIN	17	5' 10"	150	1:00	100
93	ALVIN	17	5' 10"	150	1:00	100
94	ALVIN	17	5' 10"	150	1:00	100
95	ALVIN	17	5' 10"	150	1:00	100
96	ALVIN	17	5' 10"	150	1:00	100
97	ALVIN	17	5' 10"	150	1:00	100
98	ALVIN	17	5' 10"	150	1:00	100
99	ALVIN	17	5' 10"	150	1:00	100
100	ALVIN	17	5' 10"	150	1:00	100

12 Month	High	Low	High	Low	Div	Yld	PE	10Y	High	Low	Lowest
61	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
62	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
63	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
64	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
65	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
66	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
67	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
68	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
69	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
70	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
71	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
72	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
73	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
74	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
75	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
76	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
77	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
78	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
79	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
80	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
81	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
82	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
83	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
84	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
85	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
86	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
87	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
88	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
89	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
90	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
91	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
92	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
93	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
94	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
95	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
96	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
97	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
98	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
99	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
100	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
101	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
102	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
103	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
104	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
105	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
106	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
107	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
108	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
109	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
110	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
111	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
112	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
113	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
114	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
115	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
116	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
117	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
118	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
119	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
120	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
121	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%
122	31	1.00	4.1	17	31	572	19%	19%	19%	19%	19%

[illegible]



**Oct 17, 1994**

**same prices.**

1. d. Recent Cyl. Ence. Cyl. Ed. 5 4 1972

**TO OUR**  
**READERS**  
**IN**  
**GREECE**  
It's never  
been easier  
to subscribe  
and save.  
Just call  
today:  
(1) 99-19-328  
in Athens.

**THE NEWSPAPER OF RECORD FOR THE INTERNATIONAL MUTUAL FUND INDUSTRY:**

## REACHING PERSONAL INVESTORS IN OVER 180 COUNTRIES

PLACED WITH THE NEW YORK TIMES AND THE WASHINGTON POST







## SPORTS

## Bringing It all Back Home: Chang, His Father and Tennis in Beijing

By Ian Thomsen  
International Herald Tribune

A generation ago, Joe Chang set off from China like a wave crossing to the other end of the world. In America, he met his wife, Betty, who is also Chinese. He graduated from night school and they raised their two sons in a house with a stately Chinese living room and a casual American family room with a big TV at one end. Eventually, they would set off again toward Joe Chang's homeland.

His younger son, Michael, had a unique talent for tennis, and the family grew used to traveling abroad with him. Michael Chang believes there is a purpose behind every movement, pushing everything along.

The Changs were in Paris at the French Open in June 1989, where Michael, then 17, would become the youngest Grand Slam finalist ever. He and his family spent much of that

week around the TV in their hotel room, watching the Chinese government's violent crackdown on democracy protesters in Beijing.

"That's one of the reasons I feel God really allowed me to win that tournament," Chang said. "That was a very down period for the whole Chinese race. Even though I was born in the U.S., I was still feeling for them. It was a period of nothing going right for the Chinese people. With the French Open happening the way it did, here at least was something going good — if only to look in the paper and to take that much out of it."

His perspective of Asia, while perhaps broader than the typical American view, was limited to the pain felt by his parents. What could he do to help? As circumstances played themselves out, he became the first Asian player to win a Grand Slam

singles title. He has become the Asian pioneer of his sport.

"It was difficult to watch the news about it even a couple of years later," he said Monday by telephone from Beijing. "When I traveled, I would watch CNN and they would always show very dramatic scenes of Tiananmen Square, updating things. To see it on TV was just very heart-breaking."

For every action there is a reaction, for every movement a purpose. Chang can't explain all of it. He only knows that his father's family left China, leaving everything behind as the Communist government was taking hold. The family had owned something of a plantation, "almost a kind of town of its own," Chang said. Now Chang is helping his father go home at the age of 53.

Until the last year or two, Chang always defined his family culture

against the flashier American background. The boys were raised with a humility that doesn't sell well in America. It hasn't isolated Chang as much as it has defined him. He is 22, a professional for seven years, ranked No. 7 in the world with winnings of more than \$5 million — and he lives at home with his parents and his older brother, Carl, who is his coach.

"When the typical American reaches 20, 21, he's expected to go out and find an apartment and live by himself," Chang said. "In Chinese culture, it's a joy to the parents to have the children live at home while they can until they're married. Chinese families have a lot of respect for elders, for parents, for grandparents."

"I feel like I'm more Chinese than American because of the things we do, the things we eat," he added.

As the ATP Tour has moved toward China — also branching out in Asia from Tokyo, Hong Kong and

Seoul to Malaysia and Indonesia — Chang has moved with it. If he is perceived as a heroic underdog in the United States, a champion in spite of standing only 5 feet, 8 inches (1.75 meters), in Asia he is considered less the underdog, more the champion. The hows and whys of his play are as important as the results. Humility may be a weakness in the American marketplace, but it was still a strength in Joe Chang's country as the ATP Tour made its debut in Beijing a year ago.

"In America, I notice when we play Davis Cup that the mentality is to be very confident, to say very confident things — like, 'I feel good. I should win this match no problem,'" he said. "I think the Chinese or Asian mentality is to be more subtle about things, to let your work do all of the talking, to not boast about anything, but to be very thankful for the things you have."

So tennis took its first real steps in China last year in the shoes of Joe Chang's youngest son. The son isn't sure how to characterize his feelings. People who know him say he was more determined than ever to win. Chang said he only wanted to do everything he could to help tennis take root in China. About 5 million Chinese play tennis, but many more play table tennis or squash.

Who's to say how much China will change international sports in the coming decades? In a short time, the Chinese have come to dominate women's distance running, swimming and diving. Perhaps some success will be traced to an illicit use of drugs, but a greater factor will likely be the unique Chinese approach, unbridled by Western psychology. In that case, the West will certainly react, because there always is a reaction. One part of the world will learn more about the other.

For his part, Chang was trying to set things in motion as he accepted the trophy for winning the Beijing Open last year and spoke to his father's people, and his own.

He took a deep breath — admittedly nervous — and said in Mandarin: "First, I apologize for my Chinese. I want you to know that the Lord Jesus is definitely my strength and my love and my life. I will definitely be coming back to see you."

A total of 20,000 came to that tournament to see professional tennis in China for the first time. Most came to see Chang.

The second Beijing Open begins Tuesday, and Michael Chang's opening match will be televised across the world's largest nation. Another generation from now, the Chinese may attribute their success in tennis to the pioneering American who came home. May Joe Chang live to see it.

Lalas Makes a Mark in Italy  
Fans Toast American After Defeat of Milan

The Associated Press

PADUA, Italy — Alexi Lalas made soccer history and became the toast of Italians tired of the dominance of AC Milan.

The 24-year-old defender scored the first goal ever by an American-born player in the Italian League as he led underdog Padova to a 2-0 victory Sunday over the defending European and Italian champion.

"Lalas plays, Milan dances," said Rome's Corriere dello Sport of the American, who sings and plays a guitar in a rock group.

"Lalas sings the end of an era," chimed in La Gazzetta dello Sport.

Lalas, who played for Rutgers and the U.S. World Cup team, scored in the 23rd minute for Padova, promoted to the first division this season after 32 years in the lower division.

Defender Franco Gabrielli added a second goal in the 61st minute to wrap up Padova's first victory after four losses and a tie.

"I don't intend to stop here," said Lalas, who nearly scored again in an offensive rush late in the second half. "I want to score more goals and hope they are as important as my goal against Milan."

Said Stefano Edel, a soccer columnist for the Padua newspaper Il Mattino: "Lalas is a personality, and that's new for Italian soccer. He's not only the first American, but he's entertaining."

After the World Cup, Lalas also had offers

to play in the English and German first divisions.

"I tried to picture myself in 20 years and would I regret giving up the chance of being the first American to play in Italy," Lalas said.

So, on loan from the U.S. Soccer Federation, he signed on for a year with Padova.

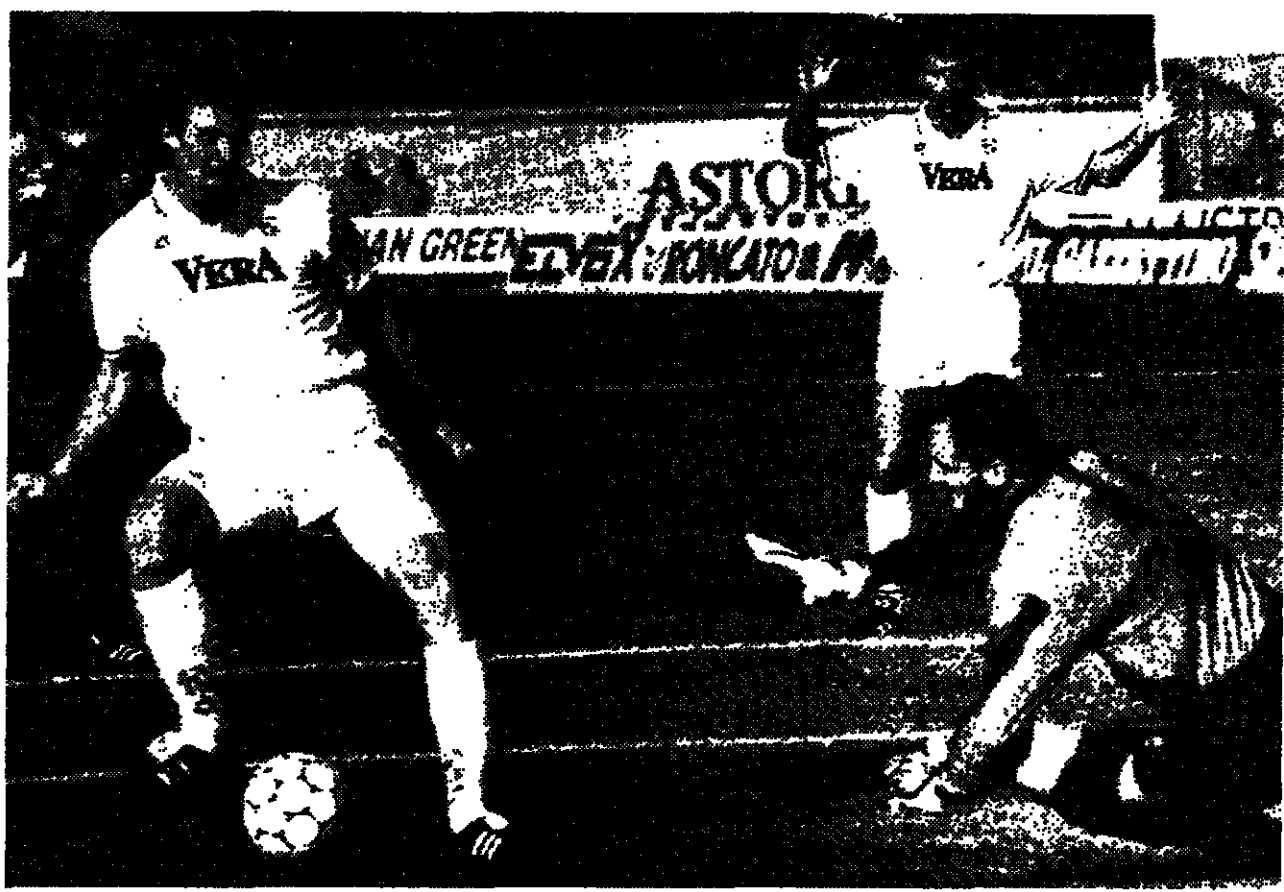
Lalas scored Padova's first goal of the year when the team shocked the traditional powerhouse Internazionale di Milan in a 1-0 victory in an Italian Cup match.

The victory Sunday was especially sweet coming against heavily favored Milan, the team that is owned by Prime Minister Silvio Berlusconi and that has dominated European soccer in recent years.

Lalas, whose red hair and goatee have inspired Italian comparisons to the Wild West showman Buffalo Bill Cody, jumped advertising boards surrounding the field and ran toward the stands after his goal. This prompted the referee to assess him a yellow card for improper conduct.

"I can't understand it," Lalas was quoted as saying by Milan's Corriere della Sera. "I'm the first American to score in your league and they penalize me. Certain rules seem strange."

Lalas's plans after the season ends are unclear. He is on loan and said he might be lured by the U.S. professional league that is supposed to start play next spring.



Alexi Lalas putting the ball past AC Milan's goalkeeper, Sebastiano Rossi, sending Padova on its way to a victory.

## Games Rift Is Revived By China

The Associated Press

BEIJING — China lavished praise on its athletes Monday for taking the lion's share of gold medals during the Asian Games, and lashed out at Taiwan and Japan.

China had threatened to boycott the Games in Hiroshima, Japan, unless Vice Prime Minister Hsu Li-teh of Taiwan was banned from the opening ceremonies on Oct. 2. Hsu went, and Beijing set the issue aside and competed anyway.

Chinese athletes won 137 gold medals — 41 percent of the total and far more than any other country.

"Their glorious achievement shows that the people of China in its period of economic reform and opening have a vigorous fighting spirit," said a commentary in the official newspaper People's Daily.

After the games ended Sunday, China resumed its criticism of Taipei and Tokyo for defying its protests.

The official Xinhua news agency said Monday that Japan's government damaged relations with China by allowing Hsu to attend the Games, although it did not elaborate on any consequences.

It said Japan violated promises made to Beijing when it established diplomatic relations with China and cut official ties with Taiwan.

Hsu said he attended the games not as a government figure, but only to promote Taiwan's bid to stage the 2002 Asian Games.

But Xinhua accused Japan and Taiwan of repudiating Beijing's insistence on recognition of only one China.

## SIDELINES

## Orioles Pick a First-Time Manager

BALTIMORE (AP) — The Baltimore Orioles chose Phil Regan as their new manager, gambling that the baseball savvy he gained over several decades would outweigh his lack of managerial experience at the major-league level.

Regan, 57, was given a two-year contract with a club option for the third year. He replaces Johnny Oates, who was fired on Sept. 26. Regan was pitching coach for two American League teams, most recently with the 1994 Cleveland Indians, and spent seven years as a scout for the Los Angeles Dodgers. He also has managed teams in the winter leagues in the Dominican Republic or Venezuela since 1985.

"People asked me why I kept going back there 10 years in a row, and I can honestly say this is why," Regan said. "I wanted to be a major-league manager, and one of the ways I could do that was to go to the winter leagues and show everybody that I could manage."

## Estes Wins Texas Golf by a Stroke

SAN ANTONIO, Texas (AP) — Bob Estes, buoyed by a four-stroke lead entering the final round, shot a 1-under-par 70 on Sunday to win the Texas Open golf tournament for the first victory of his seven-year career.

Estes, the leader all the way, won by a stroke, covering the Oak Hills Country Club course in 19-under 265. Gil Morgan finished second at 266 after a bogey-free round of 67 and Don Pooley was another shot back at 267.

## For the Record

Women will compete for the first time in the pole vault and hammer throw events at the 1998 European track and field championships, the European Athletics Association said on Monday.

## What's in a Word? In NHL Lockout, Maybe a Lot

Los Angeles Times Service

LOS ANGELES — Although the National Hockey League has called its work stoppage a postgame and not a lockout, the league is expected to concede — perhaps this week — that the stoppage that started Oct. 1 is a lockout.

In about 20 states, that means hockey players would be eligible to file for unemployment benefits.

Not that many would take advantage of that status. But the official declaration of a lockout might give them stronger legal footing if they wanted to pursue other temporary playing opportunities.

"Right now, the whole thing is based on calling it a postgame," said Ron Salzer, an agent who is looking into placing players with European clubs and in the International Hockey League. "The league has

maintained it will be a full 84-game season. Once you say they're locked out, if you get before a court of law, I think it will be different."

From Oct. 1, when the season was scheduled to start, NHL officials insisted that the stoppage was a delay and not a lockout because games would be made up later, not lost.

"Players are being told they can practice, but the only way they get paid is if there's a

game, and they're not letting them play any games," said William S. Waldo, an attorney who represents management in labor disputes. "I've done this for 17 years. That's a lockout."

But the NHL's last bit of pretense is about to disappear. With its original Oct. 1 starting date long past and its second proposed date wiped out on Saturday because of a bargaining stalemate, games are certain to be lost.

Players will have more time to pursue other jobs, but only a few are expected to do so because of insurance concerns. International Hockey League clubs are reluctant to sign high-priced NHL talent.

Although René Fasel, the International Ice Hockey Federation's president, said last week that he would not let European clubs sign NHL players, some said they would do so anyway.

## U.K. Scientists Study Horse Virus

Reuters

LONDON — Veterinary authorities in Australia have called in Britain's Animal Health Trust to help fight a virus that killed a horse trainer and 14 horses in Queensland.

As well as affecting horses there are fears the virus is virulent in humans and a range of other animals.

James Wood, head of the epidemiology unit at the Trust, said the virus came from the family that causes measles in humans and distemper in dogs. He said scientists in Australia had grown the virus experimentally and injected it into four healthy horses. Three of them died.

The Queensland authorities' 21-day ban on racing in the state was lifted earlier last week.

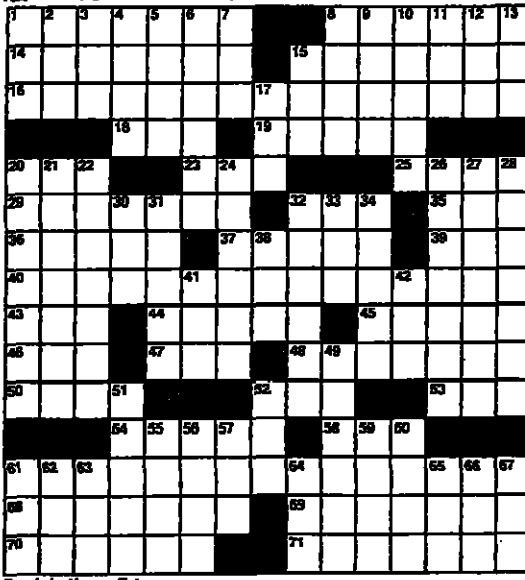
## CROSSWORD

**ACROSS**

- "All done"
- Nine of jazz
- "Strangers in the Night" singer
- Actor Jack of "City Slickers"
- "Wait a minute!"
- Member of Cong.
- A dot in the ocean
- The Rail Splitter
- Declaration of interdependence
- Bridge feat
- Bergen of "Murphy Brown"
- Wall St. regulator
- Tyrant Amin
- The British Museum's marbles
- Sales spiel
- RCA products
- "Rough ride ahead!"
- Jiffy
- Old Testament prophet
- cum laude
- R. E. Lee, e.g.
- Printers' widths
- Now available
- Jelly's counterpart
- Ocean
- Tiny
- Tutor
- men (unanimously)
- "Get ready for hard times!"
- Having a liking for
- Give-away: Var.
- Allergy sufferer's bane
- Nuclear treaty
- Little Suffr.
- Time spent in line, seemingly
- Atlanta-based network
- Tide's retreat
- Bauxite and others
- Aid and

**DOWN**

- Reproof sound
- Hurry
- Suffr. with meth- or hex-
- Bugle solo
- Eye problem
- Satirical, maybe
- T in Sparta
- Comedian Mort
- Nasty racket operator?
- Stores
- Que. neighbor
- Sgt., e.g.
- Nighttime, in poetry
- Letter endings: Abbr.
- "Flying Down to Earth"
- Like certain poker hands
- Poppycock
- "Oh, to be in..."
- Browning
- Bottommost
- Abbr.
- Actor John
- 27 Marks progress
- Boner
- Performed
- "Two mints"
- Block
- Logical beginning
- Pale
- Debtor's letters
- Site of 60's service
- Inform (on)
- Word with mother or human
- Lucy's landlady
- Bashful
- Little Suffr.
- Time spent in line, seemingly
- Atlanta-based network
- Tide's retreat
- Bauxite and others
- Aid and



© New York Times/Edited by Will Shortz

## Solution to Puzzle of Oct. 17

BAIRA CLOG TERI  
ONTOP HOWE ELAN  
DOUBLEORNING  
END OTTER MIRAGE  
AMAS SERA  
DOUBLEENTENTE  
BORN AIRS TARM  
ALOT PARTY GIRE  
TEMBELT BENT  
DOUBLEHEADERS  
SALE KRAY  
EMBALE KONG DAB  
DOUBLEINDEMNITY  
ITTL LIEU ARNIE  
TELE LIES RAISPS

## INTERNATIONAL CLASSIFIED MARKETPLACE

- Monday International Conferences and Seminars
- Tuesday Education Directory
- Wednesday Business Message Center
- Thursday International Recruitment
- Friday Real Estate Marketplace, Holidays and Travel
- Saturday Arts and Antiques

Plus over 800 headings in International Classified  
For further information, contact Philip Orma in Paris:  
Tel: (33-1) 46 37 94 74 - Fax: (33-1) 46 37 52 12

Herald INTERNATIONAL Tribune

## ESCORTS &amp; GUIDES

## BELGRAVIA

## ORCHIDS

LONDON PARIS GENEVA ZURICH  
Escort Agency Credit Cards Welcome

UK 071 589 5237

## INTERNATIONAL ESCORTS

Service - Worldwide  
Monday through Saturday  
Tel: 212-742-7700 New York, USA  
Major Credit Cards Accepted

GENEVA - ZURICH  
ALLIANCE  
Escort Service & Travel, Multilingual  
Tel: 022 311 07 34

NATASHA MANN  
LONDON ESCORT SERVICE  
Tel: 332 1013

CHERIE ESCORT SERVICE  
31 Beachcroft Place, London SW2  
Tel: 071-394 6513

LONDON BRAZILIAN Escort  
Service 071 724 597/91 - credit cards

## INTERNATIONAL CLASSIFIED

(Continued From Page 4)

## PARIS &amp; LONDON

"ELEGANCE"  
Escort Service London (71) 394 5145  
Tel: 020 37252

LONDON ESCORT SERVICE  
Open 12 on 61 nights, English  
speaking Tel: 343-504327

PRETTY WOMAN  
Escort Service  
Tel: 321 9741

TOKYO ESCORT SERVICE  
Major credit cards accepted.  
Tel: 03 324-4598

LONDON PORTMAN ESCORT  
Service of Chelsea Street, W1  
Tel: 071 486 1158/3734 credit cards

ZURICH - BEIN - LUZERN  
NATASHA Escort Service  
Tel: 071 483 23 34

## BALEARN ANNA

Escort & Travel Service  
Tel: 020 37252

MADEIRA SECRET ESCORT SERVICE  
Open 12 on 61 nights, English  
speaking Tel: 343-504327

GENEVA INTERNATIONAL  
Escort Service  
Tel: 022 / 731 63 32 - 07/29280

VIENNA PALACE ESCORT ZURICH  
EUROCONTACT W1 Escort & Travel  
Service, Call Vienna +43-1-310 62 19

FRANKFURT ROMAN RUSSDOEF  
Escort Service  
Tel: 069-47224

ROTTERDAM WHITE'S  
Escort Service  
Tel: 010-432 23 24

On October 31st, the IHT plans to publish a  
Special Report on

## Private Banking

Among the topics to be covered are:

- The contrasting management style of private bankers in Europe and America.
- The boom of private banking in California.
- Asia — the promised land for private bankers.
- Specialized services aimed at retirees.
- The growth of real estate services for private banking clients.

For further information, please contact Bill Mahler in Paris  
at (33-1) 46 37 83 78, fax: (33-1) 46 37 50 44.

Herald INTERNATIONAL Tribune

## ARISTOCATS ESCORT SERVICE

Tel: 071-402 5544

## MEN FOR LADIES

Escort egg 071 589 2070 credit cards

"ZURICH" "VIOLET"  
Escort Service, Credit cards accepted.  
Tel: 071 74 63 32

GENEVA - GLOMOUR - PARIS  
BASEL ESCORT Agency 022/346 00 89

BLONDEE  
MULTILINGUAL ESCORT SERVICE  
CENTRAL LONDON & HEATHROW  
Phone: 071 720 002

SWITZERLAND - PARIS - VIENNA  
Escort Travel & Business Service  
Tel: 077/88 06 00, 07/78 06 70

MORRISON CLUB - VIENNA ESCORT  
Service, 5, Riedle Villaggio 20,  
022/55 51 30

VIENNA - ROME - ETHIOPIA  
Escort Service & Travel to Middle East  
Tel: 022/55 51 30

VIENNA - ZURICH - PRAGUE  
Escort Service VIENNA'S BEST  
Tel: 022/55 51 30

VIENNA - ZURICH - PRAGUE  
HIGH SOCIETY INTERNATIONAL  
Tel: 022/55 51 30

ZURICH - FRANKFURT - MONACO  
ARISTOCATS ESCORT Service  
CALL SWITZERLAND 089-610 22 59

## TO OUR READERS IN LUXEMBOURG

It's never been easier to subscribe  
and save. Just call toll-free:  
0 800 2703



